

ANNEX III

PART 1: SCHEDULE OF NON-CONFORMING MEASURES

Referred to in Chapter 8 (Trade in Services) and Chapter 9 (Investment)

SCHEDULE OF AUSTRALIA

Section A

Introductory Notes

1. Section A of the Schedule of Australia sets out, pursuant to Article 8.9 (Schedule of Non-Conforming Measures) of Chapter 8 (Trade in Services) and Article 9.5 (Non-Conforming Measures) of Chapter 9 (Investment), Australia's existing measures that are not subject to some or all of the obligations imposed by:

- (a) Article 8.11 (Market Access) of Chapter 8 (Trade in Services);
- (b) Article 8.10 (National Treatment) of Chapter 8 (Trade in Services) or Article 9.3 (National Treatment) of Chapter 9 (Investment); or
- (c) Article 8.12 (Most-Favoured-Nation Treatment) of Chapter 8 (Trade in Services) or Article 9.4 (Most-Favoured-Nation Treatment) of Chapter 9 (Investment).

Note 1: Commitments on measures with respect to or relating to trade in financial services are undertaken subject to the limitations and conditions set forth in Chapter 8 (Trade in Services), Annex 8-B (Financial Services) and Chapter 9 (Investment), these Introductory Notes and the Schedule below.

Note 2: To clarify Australia's commitment with respect to Article 8.11 (Market Access) of Chapter 8 (Trade in Services), enterprises supplying financial services and constituted under the laws of Australia are subject to non-discriminatory limitations on juridical form.¹

Note 3: Without prejudice to other means of prudential regulation of cross-border trade in financial services, Australia reserves the right to require the non-discriminatory licensing or registration of cross-border

¹ For example, partnerships and sole proprietorships are generally not acceptable juridical forms for authorised depository institutions in Australia. This note is not itself intended to affect, or otherwise limit, a choice by a financial service supplier of the other Party between branches or subsidiaries.

financial service suppliers of China and of financial instruments in accordance with Article 3 (Domestic Regulation) of Annex 8-B (Financial Services).

Note 4: Australia reserves the right to adopt or maintain non-discriminatory limitations concerning admission to the market of new financial services where such measures are required to achieve prudential objectives. Australia may determine the institutional and juridical form through which a new financial service may be supplied and may require authorisation for the supply of the service. Where authorisation to supply a new financial service is required, the authorisation may only be refused for prudential reasons.

2. Each Schedule entry sets out the following elements:

- (a) “Sector” refers to the sector for which the Schedule entry is made;
- (b) “Obligations Concerned” specifies the obligation(s) referred to in paragraph 1 that, pursuant to Article 8.9 (Schedule of Non-Conforming Measures) of Chapter 8 (Trade in Services) and Article 9.5 (Non-Conforming Measures) of Chapter 9 (Investment) do not apply to the listed measure(s);
- (c) “Level of Government” indicates the level of government maintaining the listed measure(s);
- (d) “Source of Measure” means the laws, regulations or other measures that are the source of the non-conforming measure for which the Schedule entry is made. A measure cited in the “Source of Measure” element:
 - (i) means the measure as amended, continued or renewed as of the date of entry into force of this Agreement; and
 - (ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure;
- (e) “Description” sets out the non-conforming measure for which the Schedule entry is made.

Note 1: In accordance with Article 8.9 (Schedule of Non-Conforming Measures) and Article 9.5 (Non-Conforming Measures) of Chapter 9 (Investment), the articles of this Agreement specified in the “Obligations Concerned” element of an entry do not apply to the non-conforming measure identified in the “Description” element of that entry.

- Note 2: A reference to Market Access in the “Obligations Concerned” element of an entry specifies Australia’s obligations under Article 8.11 (Market Access) of Chapter 8 (Trade in Services).
- Note 3: A reference to National Treatment in the “Obligations Concerned” element of an entry specifies Australia’s obligations under Article 8.10 (National Treatment) of Chapter 8 (Trade in Services) and Article 9.3 (National Treatment) of Chapter 9 (Investment).
- Note 4: A reference to Most-Favoured-Nation in the “Obligations Concerned” element of an entry specifies Australia’s obligations under Article 8.12 (Most-Favoured-Nation Treatment) of Chapter 8 (Trade in Services) and Article 9.4 (Most-Favoured-Nation Treatment) of Chapter 9 (Investment).

3. Australia reserves the right to maintain and to add to this Schedule any non-conforming measure at the regional level of government that existed at 1 January 2005, but was not listed in this Schedule at the date of entry into force of this Agreement, against the following obligations:

- (a) Article 8.10 (National Treatment) of Chapter 8 (Trade in Services) and Article 9.3 (National Treatment) of Chapter 9 (Investment); or
- (b) Article 8.12 (Most-Favoured-Nation Treatment) of Chapter 8 (Trade in Services) and Article 9.4 (Most-Favoured-Nation Treatment) of Chapter 9 (Investment).

1	Sector:	All Sectors
	Obligations Concerned:	Market Access National Treatment
	Level of Government:	Central and Regional
	Source of Measure:	Australia's foreign investment policy, which includes the <i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth); <i>Foreign Acquisitions and Takeovers Regulations 1989</i> (Cth); <i>Financial Sector (Shareholdings) Act 1998</i> (Cth) and Ministerial Statements. <i>Land Act 1994</i> (Qld); <i>Foreign Ownership of Land Register Act 1988</i> (Qld)
	Description:	<u>Commonwealth</u> A. The following investments ² may be subject to objections by the Australian Government and may also require notification to the Government: <ul style="list-style-type: none"> (a) investments by foreign persons³ of five per cent or more in the media sector, regardless of the value of the investment; (b) investments by foreign persons in existing⁴

² "Investments" means activities covered by Part II of *Foreign Acquisitions and Takeovers Act 1975* (Cth) (FATA) or, where applicable, ministerial statements on foreign investment policy. Funding arrangements that include debt instruments having quasi-equity characteristics will be treated as direct foreign investment.

³ A "foreign person" means, as defined in section 5 of the FATA:

- (a) a natural person not ordinarily resident in Australia;
- (b) a corporation in which a natural person not ordinarily resident in Australia or a foreign corporation holds a controlling interest;
- (c) a corporation in which two or more persons, each of whom is either a natural person not ordinarily resident in Australia or a foreign corporation, hold an aggregate controlling interest;
- (d) the trustee of a trust estate in which a natural person not ordinarily resident in Australia or a foreign corporation holds a substantial interest; or
- (e) the trustee of a trust estate in which two or more persons, each of whom is either a natural person not ordinarily resident in Australia or a foreign corporation, hold an aggregate substantial interest.

Australian businesses, or prescribed corporations,⁵ the value of whose assets exceeds 252 million[#] Australian Dollars in the following sectors:

- (i) the telecommunications sector;

⁴ For the purposes of this entry, “existing” means in existence at the time the investment is proposed or made.

⁵ For the purposes of this entry, “prescribed corporation” means:

- (a) a trading corporation;
- (b) a financial corporation;
- (c) a corporation incorporated in a Territory under the law in force in that Territory relating to companies;
- (d) a foreign corporation that, on its last accounting date, held assets the sum of the values of which exceeded 252 million Australian Dollars (for item (b) of the entry) or 1094 million Australian Dollars (for item (c) of the entry), being assets consisting of all or any of the following:
 - (i) land situated in Australia (including legal and equitable interests in such land);
 - (ii) mineral rights;
 - (iii) shares in a corporation incorporated in Australia;
- (e) a foreign corporation that was, on its last accounting date, a holding corporation of an Australian corporation or Australian corporations, where the sum of the values on that date of the assets of the Australian corporation or Australian corporations exceeded 252 million Australian Dollars (for item (b) of the entry) or 1094 million Australian Dollars (for item (c) of the entry);
- (f) a corporation that was, on its last accounting date, a holding corporation of a foreign corporation referred to in paragraph (d) or (e) of this footnote;
- (g) a foreign corporation that, on its last accounting date, held assets of a kind or kinds referred to in paragraph (d) of this footnote, where the sum of the values on that date of those assets was not less than one-half of the sum of the values on that date of the assets of the foreign corporation and of all the subsidiaries of that corporation; or
- (h) a foreign corporation that was, on its last accounting date, a holding corporation of an Australian corporation or Australian corporations, where the sum of the values on that date of the assets of that Australian corporation or those Australian corporations was not less than one-half of the sum of the values on that date of the assets of the foreign corporation and of all the subsidiaries of that corporation.

[#] This is the figure as at 1 January 2015. To be indexed on 1 January each year to the GDP implicit price deflator in the Australian National Accounts for the previous financial year. If the Agreement has not entered into force by 1 January 2016, this figure will be indexed on the date of entry into force.

- (ii) the transport sector, including airports, port facilities, rail infrastructure, international and domestic aviation and shipping services provided either within, or to and from, Australia;
 - (iii) the supply of training or human resources, or the manufacture or supply of military goods, equipment, or technology, to the Australian or other defence forces;
 - (iv) the manufacture or supply of goods, equipment or technologies able to be used for a military purpose;
 - (v) the development, manufacture or supply of, or provision of services relating to, encryption and security technologies and communication systems; and
 - (vi) the extraction of (or rights to extract) uranium or plutonium, or the operation of nuclear facilities;
- (c) investments by foreign persons in existing Australian businesses, or prescribed corporations, in all other sectors, excluding financial sector companies⁶, the value of whose total assets exceeds 1094 million[#] Australian Dollars;
- (d) acquisitions by foreign persons of developed non-residential commercial real estate valued

⁶ A “financial sector company” means, as defined in section 3 of the *Financial Sector (Shareholdings) Act 1998* (Cth):

- (a) an authorised deposit-taking institution; or
- (b) an authorised insurance company; or
- (c) a holding company of a company covered by paragraph (a) or (b) of this footnote.

[#] This is the figure as at 1 January 2015. To be indexed on 1 January each year to the GDP implicit price deflator in the Australian National Accounts for the previous financial year. If the Agreement has not entered into force by 1 January 2016, this figure will be indexed on the date of entry into force.

at more than 1094 million[#] Australian Dollars;

- (e) direct investments by foreign government investors, irrespective of size;

Notified investments may be refused, subject to interim orders, and/or approved subject to compliance with certain conditions. Investments referred to in (a) through (e) for which no notification is required or received may be subject to orders under Sections 18 through 21 and 21A of the FATA.

B. The acquisition of a stake in an existing financial sector company by a foreign investor, or entry into an arrangement by a foreign investor, that would lead to an unacceptable shareholding situation or to practical control⁷ of an existing financial sector company, may be refused, or be subject to certain conditions⁸.

C. In addition to the measures identified in this entry, other entries in Section A or Section B set out additional non-conforming measures imposing specific limits on, or requirements relating to, foreign investment in the following areas:

- (a) Telstra;
- (b) Commonwealth Serum Laboratories;
- (c) Qantas Airways Ltd.;
- (d) Australian international airlines, other than Qantas;
- (e) urban land;
- (f) agricultural land;
- (g) agribusiness;

⁷ “Unacceptable shareholding situation” and “practical control” as defined in the *Financial Sector (Shareholdings) Act 1998* (Cth).

⁸ Ministerial statements on foreign investment policy including the Treasurer’s Press Release No. 28 of 9 April 1997.

- (h) federal leased airports; and
- (i) shipping.

Queensland

Certain leases (obtained at ballot), and other leases at the discretion of the Minister, may be subject to a condition that the lessee personally lives on the lease for the first seven years of its term.

While all changes to ownership of land must be registered, there is an additional duty on foreign land holders to disclose, through a prescribed notification, present interests in and acquisitions of land, disposal of interests in land and notification on ceasing to be or becoming a foreign person.

Failure to provide the information causes a breach of the Act that may result in prosecution, the imposition of financial penalties and/or forfeiture of the interest in the land to the Crown.

2	Sector:	All Sectors
	Obligations Concerned:	National Treatment
	Level of Government:	Central
	Source of Measure:	<i>Corporations Act 2001 (Cth)</i> <i>Corporations Regulations 2001 (Cth)</i>
	Description:	<p>At least one director of a private company must be ordinarily resident in Australia.</p> <p>At least two directors of a public company must be ordinarily resident in Australia.</p> <p>At least one secretary of a private company (if such a private company appoints one or more secretaries) must be ordinarily resident in Australia.</p> <p>At least one secretary of a public company must be ordinarily resident in Australia.</p>

3 Sector: All Sectors

Obligations Concerned: National Treatment

Level of Government: Regional

Source of Measure: *Associations Act (NT)*
Associations Incorporations Act 1991 (ACT)
Associations Incorporations Act 1981 (Qld)
Association Incorporations Act 1985 (SA)
Associations Incorporation Act 1964 (Tas)
Associations Incorporation Reform Act 2012 (Vic)

Description: Northern Territory

An application for the incorporation of an association⁹ must be made by a person who is a resident of the Northern Territory.

The public officer of an incorporated association must be a person who is a resident of the Northern Territory.

Australian Capital Territory

An application for incorporation of an association must be made by a person who is a resident of the Australian Capital Territory.

The public officer of an incorporated association must be a person who is a resident of the Australian Capital Territory.

Queensland

The office of secretary shall become vacant if the person holding that office ceases to be a resident in Queensland, or in another State but not more than 65 kilometres from the Queensland border.

The management committee of an incorporated association must ensure the secretary is an individual residing in Queensland, or in another State but not more than 65kilometres from the Queensland border.

⁹ “Association” includes a trading association.

The members of the management committee of an incorporated association must ensure that the association has an address nominated for the service of documents on the association. The nominated address must be a place in the State where a document can be served personally on a person. A post office box is not a place that can be shown as a nominated address.

South Australia

The public officer of an incorporated association must be a person who is a resident of South Australia.

Tasmania

A person is not eligible to be appointed as a public officer of an incorporated association unless the person is resident in Tasmania.

Victoria

A person applying for the incorporation of an association must be an Australian resident.

The first secretary and secretary of an incorporated association must be Australian residents and the first secretary of an association applying for incorporation must be an Australian resident.

The first secretary of an amalgamated association must be an Australian resident.

4	Sector:	All Sectors
	Obligations Concerned:	National Treatment
	Level of Government:	Regional
	Source of Measure	<i>Cooperatives Act 2002 (ACT)</i> <i>Co-operatives (Adoption of National Law) Act 2012 (NSW)</i> <i>Co-operatives Act (NT)</i> <i>Cooperatives Act 1997 (Qld)</i> <i>Co-operatives Act 1997 (SA)</i> <i>Cooperatives Act 1999 (Tas)</i> <i>Co-operatives National Law Application Act 2013 (Vic)</i> <i>Co-operatives Act 2009 (WA)</i>
	Description:	<p><u>All Australian States and Territories</u></p> <p>Except for South Australia, a cooperative must have a registered office in each state or territory in which it operates. In South Australia, registers must be kept at an office in South Australia.</p> <p>The secretary of a cooperative must be a person ordinarily resident in Australia.</p> <p>Excluding those states and territories which have implemented the Co-operatives National Law, a foreign cooperative must appoint a person who will act as agent of the cooperative in each state or territory in which it operates.</p> <p>Excluding those states and territories which have implemented the Co-operatives National Law, a foreign cooperative must appoint a person resident in each state or territory in which it operates as a person on whom all notices and legal process may be served on behalf of the cooperative.</p> <p>At least two of the directors of a cooperative must be Australian residents.</p>

5	Sector:	All Sectors
	Obligations Concerned:	National Treatment
	Level of Government:	Regional
	Source of Measure:	<i>Partnership Act 1963 (ACT)</i> <i>Partnership Act 1892 (NSW)</i> <i>Partnership Act 1997 (NT)</i> <i>Partnership Act 1891 (Qld)</i> <i>Partnership Act 1891 (SA)</i> <i>Partnership Act 1891 (Tas)</i> <i>Partnership Act 1958 (Vic)</i>
	Description:	<u>Australian Capital Territory, New South Wales, Northern Territory, Queensland, South Australia, Tasmania and Victoria</u> A limited partnership or an incorporated limited partnership established in a State or Territory must have an office, principal office or registered office in that State or Territory.

6	Sector:	All Sectors
	Obligations Concerned:	National Treatment
	Level of Government:	Regional
	Source of Measure:	<i>Consumer Affairs and Fair Trading Act (NT)</i> <i>Consumer Affairs and Fair Trading (Trading Stamps) Regulations (NT)</i>
	Description:	<u>Northern Territory</u> A promoter of a third party trading scheme ¹⁰ must maintain an office in Australia.

¹⁰ The term “third party trading scheme” means a scheme or arrangement under which the acquisition of goods or services by a consumer from a supplier is a condition, which gives rise, or apparently gives rise, to an entitlement to a benefit from a third party in the form of goods or services or some discount, concession or advantage in connection with the acquisition of goods or services.

7 Sector: Security Services

Obligations
Concerned: National Treatment

Level of Government: Regional

Source of Measure: *Security Industry Act 1997 (NSW)*

Description: New South Wales

A person must be an Australian citizen or an Australian permanent resident to obtain a licence to carry on a security activity in New South Wales.

8	Sector:	Professional Services
	Obligations Concerned:	National Treatment
	Level of Government:	Central
	Source of Measure:	<i>Patents Act 1990</i> (Cth) <i>Patent Regulations 1991</i> (Cth)
	Description:	In order to register to practise in Australia, patent attorneys must be ordinarily resident in Australia ¹¹ .

¹¹ For the purposes of this entry, a person is taken to be “ordinarily resident” in Australia if the person has his or her home in Australia or Australia is the country of his or her permanent abode even though he or she is temporarily absent from Australia. However, the person is taken not to be “ordinarily resident” in Australia if he or she resides in Australia for a special or temporary purpose only.

9 Sector: Professional Services

Obligations Concerned: National Treatment

Level of Government: Regional

Source of Measure: *Trustee Companies Act 1947* (ACT)
Trustee Companies Act 1964 (NSW)
Companies (Trustees and Personal Representatives) Act 1981 (NT)
Trustee Companies Act 1968 (Qld)
Trustee Companies Act 1988 (SA)
Trustee Companies Act 1953 (Tas)
Trustee Companies Act 1984 (Vic)
Trustee Companies Act 1987 (WA)

Description: Northern Territory

A body corporate may not obtain a grant of probate or act as an executor of a will, or trustee of an estate of a deceased person unless it is a “licensed trustee company” as defined in section 601RAA of the *Corporations Act 2001* (Cth), or a body corporate authorised by a law of the Northern Territory to obtain a grant of probate and so act.

Western Australia

A company can only act as a trustee company in Western Australia if it is a “licensed trustee company” as defined in section 601RAA of the *Corporations Act 2001* (Cth).

All other Australian States and Territories

A body corporate may not obtain a grant of probate or act as an executor of a will and any codicil unless it is a “licensed trustee company” within the meaning of Chapter 5D of the *Corporations Act 2001* (Cth).

10 Sector: Professional Services

Obligations Concerned: National Treatment

Level of Government: Central and Regional

Source of Measure: *Corporations Act 2001* (Cth)
Co-operative Housing and Starr-Bowkett Societies Act 1998 (NSW)
Estate Agents Act 1980 (Vic)

Description: Commonwealth

A person who is not ordinarily resident in Australia may be refused registration as a company auditor or liquidator. At least one partner in a firm providing auditing services must be a registered company auditor who is ordinarily resident in Australia.

New South Wales

A person must be ordinarily resident in New South Wales in order to be an auditor of specified kinds of societies and associations.

Victoria

A firm of auditors cannot audit an estate agent's accounts unless at least one member of the firm of auditors is an Australian resident.

11 Sector: Professional Services

Obligations
Concerned: National Treatment

Level of Government: Regional

Source of Measure: *Architects Act* (NT)

Description: Northern Territory

To qualify for registration as an architectural partnership or company, the partnership/company must have a place of business or be carrying on business within the Northern Territory.

12	Sector:	Professional Services
	Obligations Concerned:	National Treatment Most-Favoured-Nation Treatment
	Level of Government:	Central
	Source of Measure:	<i>Migration Act 1958 (Cth)</i>
	Description:	To practise as a migration agent in Australia, a person must be an Australian citizen or permanent resident or a citizen of New Zealand with a special category visa.

13 Sector: Professional Services

Obligations
Concerned: National Treatment

Level of Government: Central

Source of Measure: *Customs Act 1901 (Cth)*

Description: To act as a customs broker in Australia, service suppliers must provide the service in and from Australia.

14	Sector:	Communication Services
	Obligations Concerned:	Market Access National Treatment Most-Favoured-Nation Treatment
	Level of Government:	Central
	Source of Measure:	<i>Australian Postal Corporation Act 1989 (Cth)</i>
	Description:	<p>Australia Post, a wholly-owned government entity, has the exclusive right to issue postage stamps and carry letters within Australia, whether the letters originated within or outside Australia. This includes:</p> <ul style="list-style-type: none"> – the collection within Australia of letters for delivery within Australia; and – the delivery of letters within Australia. <p>This reservation does not include:</p> <ul style="list-style-type: none"> – the carriage of a letter weighing more than 250 grams; – the carriage of a letter within Australia for a charge or fee that is at least four times the rate of postage that is current at the time for the carriage within Australia of a standard postal article by ordinary post¹²; and – other exceptions to the reserved services set out in Section 30 of the <i>Australian Postal Corporation Act 1989 (Cth)</i>. <p>Australia Post also has certain rights, powers and immunities ascribed only to it, such as the use and access to public land for the provision of postal and courier services.</p>

¹² As specified in accordance with the *Australian Postal Corporation Act 1989 (Cth)* and its subordinate legislation and regulations or any amendments thereto.

15	Sector:	Communication Services
	Obligations Concerned:	Market Access National Treatment
	Level of Government:	Central
	Source of Measure:	<i>Telstra Corporation Act 1991 (Cth)</i>
	Description:	<p>Aggregate foreign equity is restricted to no more than 35 per cent of shares of Telstra. Individual or associated group foreign investment is restricted to no more than five per cent of shares.</p> <p>The chairperson and a majority of directors of Telstra must be Australian citizens and Telstra is required to maintain its head office, main base of operations and place of incorporation in Australia.</p>

16 Sector: Research and Development Services

Obligations Concerned: National Treatment

Level of Government: Regional

Source of Measure: *Biodiscovery Act 2004* (Qld)

Description: Queensland

Benefit sharing agreements require sublicences for use of samples or derivatives to conduct biodiscovery research and commercialisation to be offered first to Queensland-based entities, then to Australian-based entities, and then to overseas-based entities. Any entity with a benefit sharing agreement must obtain consent before granting a sublicense to an overseas-based entity.

17	Sector:	Real Estate and Distribution Services
	Obligations Concerned:	National Treatment
	Level of Government:	Regional
	Source of Measure:	<i>Community Land Management Act 1989 (NSW)</i> <i>Strata Schemes Management Act 1996 (NSW)</i> <i>Property, Stock and Business Agents Act 2002 (NSW)</i> <i>Agents Licensing Act (NT)</i> <i>Agents Act 2003 (ACT)</i> <i>Property Agents and Motor Dealers Act 2000 (Qld)</i> <i>Estate Agents Act 1980 (Vic)</i> <i>Conveyancers Act 2006 (Vic)</i> <i>Real Estate and Business Agents Act 1978 (WA)</i> <i>Real Estate and Business Agents (General) Regulations 1979 (WA)</i> <i>Settlement Agents Act 1981 (WA)</i> <i>Settlement Agents Regulations 1982 (WA)</i>
	Description:	<p><u>New South Wales</u></p> <p>A person cannot be appointed as an agent (for a proprietor of a development lot, neighbourhood lot or strata lot) if they are not an Australian resident. A person cannot be appointed as an agent (for an owner of a lot, for dealings with the owner's corporation) if they are not an Australian resident. To be licensed as a property, stock, business, strata managing or community managing agent in NSW, licensees must have a registered office in New South Wales.</p> <p><u>Northern Territory</u></p> <p>A licensed agent¹³ must maintain an office in Australia at or from which the conduct of business under the licence is to occur.</p> <p><u>Australian Capital Territory</u></p> <p>An estate agent must have their principal place of business in the Australian Capital Territory.</p>

¹³ A "licensed agent" includes a real estate agent, business agent or conveyancing agent.

Queensland

In order to operate as a real estate agent, auctioneer, motor dealer or commercial agent, a person must have a business address in Queensland. This must be a physical address and not a post box.

Victoria

A person cannot be licensed as an estate agent unless they have a registered office in Victoria and they must maintain a principal office in Victoria. An agent's representative must have a registered address in Victoria to which documents can be sent.

A person cannot be licensed as a conveyancer or carry on a conveyancing business in Victoria unless they maintain a principal place of business in Victoria.

Western Australia

A person seeking to carry on business as a real estate or business agent in Western Australia must establish and maintain a registered office in the State.

A person seeking to carry on business as a settlement agent (conveyancer) in Western Australia must ordinarily reside in the State.

A licensed settlement agent must establish and maintain a registered office in the State.

18 Sector: Fishing and Pearling

Obligations Market Access
Concerned: National Treatment

Level of Government: Central and Regional

Source of Measure: *Fisheries Management Act 1991* (Cth)
Foreign Fishing Licences Levy Act 1991 (Cth)
Fisheries Management Act 1994 (NSW)
Fisheries Act 1995 (Vic)
Fish Resources Management Act 1994 (WA)
Pearling Act 1990 (WA)
Ministerial Policy Guideline No. 17 of August 2001 (WA)

Description: Commonwealth

Foreign fishing vessels¹⁴ seeking to undertake fishing activity, including any activity in support of or in preparation for any fishing activity or the processing, carrying or transhipment of fish, in the Australian Fishing Zone must be authorised.

Where foreign fishing vessels are authorised to undertake such fishing activity, they may be subject to a levy¹⁵.

New South Wales

A foreign person or a foreign-owned body is not permitted to hold shares in a share management fishery.

Victoria

A fishery access licence or aquaculture licence can only be issued to a natural person who is an Australian resident, or to a single corporation that has a registered office in Australia.

¹⁴ For the purposes of this reservation, a “foreign fishing vessel” is one that does not meet the definition of an Australian boat under the *Fisheries Management Act 1991* (Cth), that is, an Australian-flagged boat (not owned by a foreign resident) or a boat owned by an Australian resident or corporation and built, and whose operations are based, in Australia.

¹⁵ The levy charged will be in accordance with the *Foreign Fishing Licences Levy Act 1991* (Cth) or any amendments thereto.

Western Australia

Only an individual who is an Australian citizen or permanent resident may be a licensee within the Western Australian pearling industry.

In the case of corporations, partnerships or trusts holding licences, these must be Australian owned and/or controlled (at least 51 per cent of the issued share capital, partnership interest or trust property must be owned by Australians; the chairman, majority of the board of directors and all the company officers must be Australians and must be nominated by, and represent, Australian interests).

19 Sector: Mining and Related Services

Obligations Concerned: National Treatment

Level of Government: Regional

Source of Measure: *Mount Isa Mines Limited Agreement Act 1985 (Qld)*

Description: Queensland

The operator of Mount Isa Mines shall, so far as is reasonably and economically practicable:

- (a) use the services of professional consultants resident and available within Queensland;
- (b) use labour available within Queensland;
- (c) when preparing specifications, calling for tenders and letting contracts for works, materials, plant, equipment and supplies ensure that Queensland suppliers, manufacturers, and contractors are given reasonable opportunity to tender or quote; and
- (d) give proper consideration and where possible preference to Queensland suppliers, manufacturers and contractors when letting contracts or placing orders for works, materials, plant, equipment and supplies where price, quality, delivery and service are equal to or better than that obtainable elsewhere.

20 Sector: Other Business Services

Obligations
Concerned: National Treatment

Level of Government: Regional

Source of Measure: *Prostitution Regulation Act (NT)*

Description: Northern Territory

To be eligible for the grant of an operator's licence or a manager's licence in respect of an escort agency business, an individual must be resident in the Northern Territory.

For a body corporate to be granted an operator's licence, its officers must also meet the residency requirement.

21 Sector: Distribution Services

Obligations
Concerned: National Treatment

Level of Government: Regional

Source of Measure: *Rice Marketing Act 1983 (NSW)*
Marketing of Potatoes Act 1946 (WA)

Description: New South Wales and Western Australia

New South Wales retains marketing board arrangements for rice and Western Australia retains marketing board arrangements for potatoes.

22 Sector: Distribution Services

Obligations
Concerned: National Treatment

Level of Government: Regional

Source of Measure: *Firearms Act* (NT)

Description: Northern Territory

Grant of a firearms licence¹⁶ requires residency in the Northern Territory. Licences and permits expire three months after the holder ceases to reside permanently in the Northern Territory.

¹⁶ Firearms licences include but are not limited to firearms dealer's licence, armourer's licence, firearms museum licence, firearms collector's licence, firearms employee licence, and paintball operator's licence.

23 Sector: Distribution Services

Obligations
Concerned: National Treatment

Level of Government: Regional

Source of Measure: *Liquor Act* (NT) and policy and practice
Kava Management Act (NT)
Tobacco Control Act (NT) and policy and practice

Description: Northern Territory

The Northern Territory Licensing Commission may require a liquor licensee where the licensee is an individual, or at least one of the licensees where the licence is held by a partnership, or the licence nominee where the licence is held by a corporation, to ordinarily reside within the general locality of the premises to which the licence relates.

The holder of a tobacco retail licence may only sell tobacco products from the premises specified in the licence.

A tobacco retail licence in relation to liquor licensed premises may only be granted to the liquor licensee of those premises.

An applicant for a retail licence for kava must ordinarily reside or carry on business in the relevant licence area in the Northern Territory.

24 Sector: Distribution Services

Obligations Concerned: National Treatment

Level of Government: Regional

Source of Measure: *Wine Industry Act 1994 (Qld)*

Description: Queensland

In order to obtain a wine merchant's licence to sell wine, the business conducted by a person under the licence must contribute to the Queensland wine industry in a substantial way. In order to obtain a wine producer's licence to sell wine, a person must be selling wine made from fruit grown by the person on the premises to which the licence relates, or selling wine made by the person on the premises to which the licence relates.

25	Sector:	Health Services
	Obligations Concerned:	National Treatment
	Level of Government:	Central
	Source of Measure:	<i>Commonwealth Serum Laboratories Act 1961</i> (Cth)
	Description:	The votes attached to significant foreign shareholdings ¹⁷ may not be counted in respect of the appointment, replacement or removal of more than one-third of the directors of Commonwealth Serum Laboratories (CSL) who hold office at a particular time. The head office, principal facilities used by CSL and any CSL subsidiaries used to produce products derived from human plasma collected from blood or plasma donated by individuals in Australia must remain in Australia. Two-thirds of the directors of the board of CSL and the chairperson of any meeting must be Australian citizens. CSL must not seek incorporation outside of Australia.

¹⁷ For the purposes of this entry, the term “significant foreign shareholding” means a holding of voting shares in CSL in which a foreign person has a relevant interest, if the foreign person has relevant interests in at least five per cent of the voting shares in CSL.

26 Sector: Tourism and Travel-related Services

Obligations
Concerned: National Treatment

Level of Government: Regional

Source of Measure: *Travel Agents Act 1988 (Qld)*

Description: Queensland

In order to obtain a licence to operate as a travel agent, a person must have a business address in Queensland.

27 Sector: Recreational, Cultural and Sporting Services

Obligations Concerned: National Treatment

Level of Government: Regional

Source of Measure: *Nature Conservation Act 1992 (Qld)*
Nature Conservation (Wildlife Management) Regulation 2006 (Qld)
Nature Conservation (Administration) Regulation 2006 (Qld)
Nature Conservation (Protected Plants) Conservation Plan 2000 (Qld)

Description: Queensland

The Chief Executive of the Queensland Department of Environment and Heritage Protection may grant a wildlife authority,¹⁸ other than a wildlife movement permit, to a corporation only if the corporation has an office in the State.

The chief executive may approve a person to be an authorised cultivator or propagator for protected plants only if:

- (a) in the case of a natural person, the person is a resident of the State; or
- (b) if the person is a corporation, the corporation has premises in the State at which the plants are to be cultivated or propagated.

An individual or corporation is only taken to be a “person aggrieved” by a decision, failure to make a decision or conduct under the Act if the individual is an Australian citizen or ordinarily resident in Australia or, if a corporation, established in Australia.

¹⁸ This term is defined in Schedule 7 of the *Nature Conservation (Administration) Regulation 2006 (Qld)*.

28	Sector:	Transport Services
	Obligations Concerned:	National Treatment
	Level of Government:	Central
	Source of Measure:	<i>Competition and Consumer Act 2010</i> (Cth)
	Description:	Every ocean carrier who provides international liner cargo shipping services to or from Australia must, at all times, be represented by a natural person who is resident in Australia.

Only a person¹⁹ affected by a registered conference agreement or by a registered non-conference ocean carrier with substantial market power may apply to the Australian Competition and Consumer Commission to examine whether conference members, and non-conference operators with substantial market power, are hindering other shipping operators from engaging efficiently in the provision of outward liner cargo services to an extent that is reasonable. For greater certainty, matters which are relevant to the determination of 'reasonable' include Australia's national interest and the interests of Australian shippers.

¹⁹ For the purposes of this entry, sections 10.48 and 10.58 of Part X of the *Competition and Consumer Act 2010* (Cth) list the categories of persons to whom this reservation will apply.

29	Sector:	Transport Services
	Obligations Concerned:	Market Access National Treatment
	Level of Government:	Central
	Source of Measure:	<i>Air Navigation Act 1920</i> (Cth) Ministerial Statements
	Description:	Total foreign ownership of individual Australian international airlines (other than Qantas) is restricted to a maximum of 49 per cent. Furthermore, it is required that: <ul style="list-style-type: none"> (a) at least two-thirds of the board members must be Australian citizens; (b) the chairperson of the board must be an Australian citizen; (c) the airline's head office must be in Australia; and (d) the airline's operational base must be in Australia.

30 Sector: Transport Services

Obligations Concerned: Market Access
National Treatment

Level of Government: Central

Source of Measure: *Qantas Sale Act 1992* (Cth)

Description: Total foreign ownership of Qantas Airways Ltd is restricted to a maximum of 49 per cent. In addition:

- (a) the head office of Qantas must always be located in Australia;
- (b) the majority of Qantas' operational facilities must be located in Australia;
- (c) at all times, at least two-thirds of the directors of Qantas must be Australian citizens;
- (d) at a meeting of the board of directors of Qantas, the director presiding at the meeting (however described) must be an Australian citizen; and
- (e) Qantas is prohibited from taking any action to become incorporated outside Australia.

31	Sector:	Transport Services
	Obligations Concerned:	National Treatment
	Level of Government:	Regional
	Source of Measure:	<i>Commercial Passenger (Road Transport) Act (NT)</i> <i>Road Transport (Public Passenger Services) Regulations 2002 (ACT)</i> <i>Taxi Act 1994 (WA)</i> <i>Transport Coordination Act 1966 (WA)</i>
	Description:	<p><u>Northern Territory</u></p> <p>A taxi licence will be cancelled where the holder, being an individual, has not been ordinarily resident in the Northern Territory for more than six months or, being a body corporate, has ceased for more than six months to have its principal place of business in the Northern Territory.</p> <p><u>Australian Capital Territory</u></p> <p>An application for accreditation to run a public transport service must be made by an Australian citizen or permanent resident of Australia.</p> <p><u>Western Australia</u></p> <p>To hold a Government Lease taxi plate, the plate holder must be an Australian citizen or a permanent resident.</p>

32	Sector:	Financial Services
	Obligations Concerned:	Market Access National Treatment
	Level of Government:	Central
	Source of Measure:	<i>Banking Act 1959 (Cth)</i> <i>Banking Amendment Regulations 2000 (No. 1) (Cth)</i> <i>Payment Systems (Regulation) Act 1998 (Cth)</i>
	Description:	<p>To undertake banking business in Australia an entity must be a body corporate and authorised by the Australian Prudential Regulation Authority (APRA) as an authorised deposit-taking institution (ADI).</p> <p>Foreign deposit-taking institutions (including foreign banks) may only operate a banking business in Australia through locally incorporated deposit-taking subsidiaries or authorised branches (foreign ADIs), or through both structures.</p> <p>A foreign ADI is not permitted to accept initial deposits (and other funds) from individuals and non-corporate institutions of less than 250,000 Australian Dollars.</p> <p>A foreign deposit-taking institution that operates a representative office in Australia is not permitted to undertake any banking business, including advertising for deposits, in Australia. Such a representative office is only permitted to act as a liaison point.</p> <p>Foreign banks located overseas may only raise funds in Australia through the issue of debt securities provided those securities are offered/traded in parcels of not less than 500,000 Australian Dollars and the securities and any associated information memoranda clearly state the issuing bank is not authorised under the <i>Banking Act 1959 (Cth)</i> in Australia.</p>

33 Sector: Financial Services

Obligations Concerned: National Treatment

Level of Government: Central

Source of Measure: *Commonwealth Banks Act 1959 (Cth)*

Description: Liabilities of the Commonwealth Bank, previously Commonwealth Government-owned, are covered by transitional guarantee arrangements.

34	Sector:	Financial Services
	Obligations Concerned:	National Treatment
	Level of Government:	Regional
	Source of Measure:	<i>Credit (Administration) Act 1984 (WA)</i> <i>Credit (Administration) Regulations 1985 (WA)</i> <i>Debt Collectors Licensing Act 1964 (WA)</i> <i>Debt Collectors Licensing Regulations 1964 (WA)</i> <i>Finance Brokers Control Act 1975 (WA)</i> <i>Finance Brokers (General) Regulations 1977 (WA)</i>
	Description:	<u>Western Australia</u> A natural person (whether alone or in partnership with other persons) or an incorporated body seeking to carry on a business of providing credit in Western Australia (including where the provision of the credit is connected with the carrying on of another business), must have a principal office in Australia and a principal place of business in Western Australia. Any person (including an incorporated body) seeking to exercise or carry on the business or any functions of a debt collector in Western Australia, must have a principal place of business in the State. A natural person seeking to carry on business as a finance broker in Western Australia must be ordinarily resident in Western Australia. A finance broker must have a registered office in Western Australia while carrying on business as a broker.

35	Sector:	Financial Services
	Obligations concerned:	National Treatment
	Level of Government:	Regional
	Source of Measure:	<i>Second-hand Dealers and Pawnbrokers Act 2003</i> (Qld)
	Description:	<u>Queensland</u> A person operating as a second-hand dealer or as a pawnbroker must have a principal place of business in Queensland where a document can be served personally. A post office box does not suffice.

Section B

Introductory Notes

1. Section B of the Schedule of Australia sets out, pursuant to Article 8.9 (Schedule of Non-Conforming Measures) of Chapter 8 (Trade in Services) and Article 9.5 (Non-Conforming Measures) of Chapter 9 (Investment), the specific sectors, sub-sectors or activities for which Australia may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:

- (a) Article 8.11 (Market Access) of Chapter 8 (Trade in Services);
- (b) Article 8.10 (National Treatment) of Chapter 8 (Trade in Services) or Article 9.3 (National Treatment) of Chapter 9 (Investment); or
- (c) Article 8.12 (Most-Favoured-Nation Treatment) of Chapter 8 (Trade in Services) or Article 9.4 (Most-Favoured-Nation Treatment) of Chapter 9 (Investment).

Note 1: Commitments on financial services are undertaken subject to the limitations and conditions set forth in Chapter 8 (Trade in Services), Annex 8-B (Financial Services) and Chapter 9 (Investment), these Introductory Notes and the Schedule below.

Note 2: To clarify Australia's commitment with respect to Article 8.11 (Market Access) of Chapter 8 (Trade in Services), enterprises supplying financial services and constituted under the laws of Australia are subject to non-discriminatory limitations on juridical form.²⁰

Note 3: Without prejudice to other means of prudential regulation of cross-border trade in financial services, Australia reserves the right to require the non-discriminatory licensing or registration of cross-border financial service suppliers of China and of financial instruments in accordance with Article 3 (Domestic Regulation) of Annex 8-B (Financial Services).

Note 4: Australia reserves the right to adopt or maintain non-discriminatory limitations concerning admission to the market of new financial services where such measures are required to achieve prudential

²⁰ For example, partnerships and sole proprietorships are generally not acceptable juridical forms for authorised depository institutions in Australia. This note is not itself intended to affect, or otherwise limit, a choice by a financial service supplier of the other Party between branches or subsidiaries.

objectives. Australia may determine the institutional and juridical form through which a new financial service may be supplied and may require authorisation for the supply of the service. Where authorisation to supply a new financial service is required, the authorisation may only be refused for prudential reasons.

2. Each Schedule entry sets out the following elements:

- (a) “Sector” refers to the sector for which the entry is made;
- (b) “Obligations Concerned” specifies the obligation(s) referred to in paragraph 1 that, pursuant to Article 8.9 (Schedule of Non-Conforming Measures) of Chapter 8 (Trade in Services) and Article 9.5 (Non-Conforming Measures) of Chapter 9 (Investment), do not apply to the sectors, sub-sectors or activities listed in the entry;
- (c) “Description” sets out the scope of the sector, sub-sector or activities covered by the entry; and
- (d) “Existing Measures” identifies for transparency purposes, where relevant and practical, existing measures that apply to the sector, sub-sector or activities covered by the entry.

Note 1: In accordance with Article 8.9 (–Schedule of Non-Conforming Measures) of Chapter 8 (Trade in Services) and Article 9.5 (Non-Conforming Measures) of Chapter 9 (Investment), the articles of this Agreement specified in the “Obligations Concerned” element of an entry do not apply to the non-conforming measure identified in the “Description” element of that entry.

Note 2: A reference to Market Access in the “Obligations Concerned” element of an entry specifies Australia’s obligations under Article 8.11 (Market Access) of Chapter 8 (Trade in Services).

Note 3: A reference to National Treatment in the “Obligations Concerned” element of an entry specifies Australia’s obligations under Article 8.10 (National Treatment) of Chapter 8 (Trade in Services) and Article 9.3 (National Treatment) of Chapter 9 (Investment).

Note 4: A reference to Most-Favoured-Nation in the “Obligations Concerned” element of an entry specifies Australia’s obligations under Article 8.12 (Most-Favoured-Nation Treatment) of Chapter 8 (Trade in Services) and Article 9.4 (Most-Favoured-Nation Treatment) of Chapter 9 (Investment).

1	Sector:	All Sectors
	Obligations Concerned:	Market Access
	Description:	Australia reserves the right to adopt or maintain any measure with respect to the supply of a service by the presence of natural persons, or other movement of natural persons, including entry or temporary stay, subject to the provisions of Chapter 10 (Movement of Natural Persons).
	Existing Measures:	

2	Sector:	All Sectors
	Obligations Concerned:	Market Access National Treatment
	Description:	<p>Australia reserves the right to adopt or maintain any measure according preferences to any Indigenous person or organisation or providing for the favourable treatment of any Indigenous person or organisation in relation to acquisition, establishment or operation of any commercial or industrial undertaking in the service sector.</p> <p>Australia reserves the right to adopt or maintain any measure with respect to investment that accords preferences to any Indigenous person or organisation or providing for the favourable treatment of any Indigenous person or organisation.</p> <p>For the purpose of this reservation, an Indigenous person means a person of the Aboriginal and Torres Strait Islander peoples.</p>
	Existing Measures:	<p>Legislation and ministerial statements at all levels of government including:</p> <p>Australia's foreign investment policy, which includes the <i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth); <i>Foreign Acquisitions and Takeovers Regulations 1989</i> (Cth); <i>Financial Sector (Shareholdings) Act 1998</i> (Cth); and Ministerial Statements.</p> <p><i>Native Title Act 1993</i> (Cth)</p> <p><i>Aboriginal Land Rights (Northern Territory) Act 1976</i> (Cth)</p> <p><i>Aboriginal Land Rights Act 1983</i> (NSW)</p> <p><i>Native Title (New South Wales) Act 1994</i> (NSW)</p> <p><i>Aboriginal Land Act 1991</i> (Qld)</p> <p><i>Torres Strait Islander Land Act 1991</i> (Qld)</p> <p><i>Native Title (South Australia) Act 1994</i> (SA)</p> <p><i>Maralinga Tjarutja Land Rights Act 1984</i> (SA)</p> <p><i>Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981</i> (SA)</p> <p><i>Anangu Pitjantjatjara Yankunytjatjara Land Rights Regulations 2010</i> (SA)</p> <p>The statutory bodies that administer the Anangu Pitjantjatjara Yankunytjatjara lands and the Maralinga</p>

Tjarutja lands

Mining Act 1971 (SA)

Opal Mining Act 1995 (SA)

Aboriginal Lands Act 1995 (Tas)

Traditional Owner Settlement Act 2010 (Vic)

3	Sector:	All Sectors
	Obligations Concerned:	Market Access
	Description:	Australia reserves the right to adopt or maintain any measure at the regional level of government that is not inconsistent with Australia's Revised Services Offer of 31 May 2005 in the World Trade Organization Doha Development Agenda negotiations (WTO Document - TN/S/O/AUS/Rev.1).
	Existing Measures:	

4	Sector:	All Sectors
	Obligations Concerned:	Market Access National Treatment
	Description:	Australia reserves the right to adopt or maintain any measure with respect to proposals by ‘foreign persons’ ²¹ , and foreign government investors to invest in Australian urban land ²² (including interests that arise via leases, financing and profit sharing arrangements, and the acquisition of interests in urban land corporations and trusts), other than developed non-residential commercial real estate.
	Existing Measures:	Australia’s foreign investment policy, which includes the <i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth) (FATA); <i>Foreign Acquisitions and Takeovers Regulations 1989</i> (Cth); <i>Financial Sector (Shareholdings) Act 1998</i> (Cth); and Ministerial Statements. <i>Economic Development Act 2012</i> (Qld) <i>Sustainable Planning Act 2009</i> (Qld) <i>Integrated Resort Development Act 1997</i> (Qld) <i>Mixed Use Development Act 1992</i> (Qld) <i>Sanctuary Cove Resort Act 1995</i> (Qld) <i>Townsville City Council (Douglas Land Development) Act 1993</i> (Qld)

²¹ The term “foreign person” has the meaning set out in the FATA.

²² The term “Australian urban land” has the meaning set out in the FATA.

5	Sector:	All Sectors
	Obligations Concerned:	Market Access National Treatment Most-Favoured-Nation Treatment
	Description:	Australia reserves the right to adopt or maintain any measure that it considers necessary for the protection of its essential security interests with respect to proposals by foreign persons ²³ and foreign government investors to invest in Australia.
	Existing Measures:	Australia's foreign investment policy, which includes the <i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth); <i>Foreign Acquisitions and Takeovers Regulations 1989</i> (Cth); <i>Financial Sector (Shareholdings) Act 1998</i> (Cth); and Ministerial Statements.

²³ The term "foreign person" has the meaning set out in the FATA.

6	Sector:	All Sectors
	Obligations Concerned:	Market Access National Treatment Most-Favoured-Nation Treatment
	Description:	Australia reserves the right to adopt or maintain any measure to allow the screening of proposals, by foreign persons ²⁴ , to invest 15 million Australian Dollars or more in Australian agricultural land and 53 million Australian Dollars or more in Australian agribusinesses.
	Existing Measures:	Australia's foreign investment policy, which includes the <i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth); <i>Foreign Acquisitions and Takeovers Regulations 1989</i> (Cth); <i>Financial Sector (Shareholdings) Act 1998</i> (Cth) and Ministerial Statements.

²⁴ The term "foreign person" has the meaning set out in the FATA.

7	Sector:	All Sectors
	Obligations Concerned:	Market Access National Treatment
	Description:	Australia reserves the right to adopt or maintain any measure with respect to: <ul style="list-style-type: none">(a) the devolution to the private sector of services provided in the exercise of governmental authority at the time that the Agreement comes into force; and(b) the privatisation of government owned entities or assets.
	Existing Measures:	

8	Sector:	All Sectors
	Obligations Concerned:	Market Access National Treatment Most-Favoured-Nation Treatment
	Description:	Australia reserves the right to adopt or maintain any measure with respect to the provision of law enforcement and correctional services, and the following services ²⁵ to the extent that they are social services established or maintained for a public purpose: income security or insurance, social security or insurance, social welfare, public education, public training, health, child care, public utilities, public transport and public housing.
	Existing Measures:	

²⁵ For the avoidance of doubt, this includes any measure with respect to: the collection of blood and its components; the distribution of blood and blood-related products, including plasma derived products; plasma fractionation services; and the procurement of blood and blood-related products and services.

9	Sector:	Communication Services and Recreational, Cultural and Sporting Services
	Obligations Concerned:	Market Access National Treatment Most-Favoured-Nation Treatment
	Description:	<p>Australia reserves the right to adopt or maintain any measure with respect to:</p> <ul style="list-style-type: none"> - the creative arts,²⁶ cultural heritage²⁷ and other cultural industries, including audiovisual services, entertainment services and libraries, archives, museums and other cultural services; - broadcasting and audiovisual services, including measures with respect to planning, licensing and spectrum management, and including: <ul style="list-style-type: none"> (a) services offered in Australia; (b) international services originating from Australia.
	Existing Measures:	<p><i>Broadcasting Services Act 1992</i>(Cth) <i>Radiocommunications Act 1992</i> (Cth) <i>Income Tax Assessment Act 1936</i> (Cth) <i>Income Tax Assessment Act 1997</i> (Cth) <i>Screen Australia Act 2008</i> (Cth) Broadcasting Services (Australian Content) Standard 2005 Children’s Television Standards 2009 Television Program Standard 23 – Australian Content in Advertising Commercial Radio Codes of Practice and Guidelines Community Broadcasting Codes of Practice International Co-Production Program</p>

²⁶ “Creative arts” include: the performing arts – including theatre, dance and music – visual arts and craft, literature, film, television, video, radio, creative on-line content, indigenous traditional practice and contemporary cultural expression, and digital interactive media and hybrid arts work which uses new technologies to transcend discrete artform divisions.

²⁷ “Cultural heritage” includes: ethnological, archaeological, historical, literary, artistic, scientific or technological moveable or built heritage, including the collections which are documented, preserved and exhibited by museums, galleries, libraries, archives and other heritage collecting institutions.

10 Sector: Distribution Services

Obligations
Concerned: Market Access

Description: Australia reserves the right to adopt or maintain any measure with respect to wholesale and retail trade services of tobacco products, alcoholic beverages, or firearms.

Existing Measures:

11	Sector:	Education Services
	Obligations Concerned:	Market Access National Treatment
	Description:	Australia reserves the right to adopt or maintain any measure with respect to primary education.
	Existing Measures:	

12	Sector:	Education Services
	Obligations Concerned:	National Treatment Most-Favoured-Nation Treatment
	Description:	<p>Australia reserves the right to adopt or maintain any measure with respect to:</p> <ul style="list-style-type: none"> (a) the ability of individual education and training institutions to maintain autonomy in admissions policies (including in relation to considerations of equal opportunity for students and recognition of credits and degrees), in setting tuition rates and in the development of curricula or course content; (b) non-discriminatory accreditation and quality assurance procedures for education and training institutions and their programs, including the standards that must be met; (c) government funding, subsidies or grants, such as land grants, preferential tax treatment and other public benefits, provided to education and training institutions; or (d) the need for education and training institutions to comply with non-discriminatory requirements related to the establishment and operation of a facility in a particular jurisdiction.
	Existing Measures:	

13	Sector:	Gambling and Betting
	Obligations Concerned:	Market Access National Treatment
	Description:	Australia reserves the right to adopt or maintain any measure with respect to gambling and betting.
	Existing Measures:	<p>Legislation and ministerial statements including:</p> <p><i>Interactive Gambling Act 2001</i>(Cth) <i>Gambling and Racing Control Act 1999</i> (ACT) <i>Unlawful Gambling Act 2009</i> (ACT) <i>Race & Sports Bookmaking Act 2001</i> (ACT) <i>Totalisator Act 2014</i> (ACT) <i>Racing Act 1999</i> (ACT) <i>Casino Control Act 2006</i> (ACT) <i>Gaming Machine Act 2004</i> (ACT) <i>Interactive Gambling Act 1998</i> (ACT) <i>Lotteries Act 1964</i> (ACT) <i>Pool Betting Act 1964</i> (ACT) <i>Casino Control Act 1992</i> (NSW) <i>Gaming Machines Act 2001</i> (NSW) <i>Public Lotteries Act 1996</i> (NSW) <i>Lotteries and Art Unions Act 1901</i> (NSW) <i>Racing Administration Act 1998</i> (NSW) <i>Greyhound Racing Act 2009</i> (NSW) <i>Harness Racing Act 2009</i> (NSW) <i>Thoroughbred Racing Act 1996</i> (NSW) <i>Totalizator Act 1987</i> (NSW) <i>Unlawful Gambling Act 1998</i> (NSW) <i>Gambling Control Act</i> (NT) <i>Gaming Machine Act</i> (NT) <i>Racing and Betting Act</i> (NT) <i>Totaliser Licensing and Regulation Act</i> (NT) <i>Soccer Football Pools Act</i> (NT) <i>TAB Queensland Limited Privatisation Act 1999</i> (Qld) <i>Casino Control Act 1982</i> (Qld) <i>Jupiters Casino Agreement Act 1983</i> (Qld) <i>Brisbane Casino Agreement Act 1992</i> (Qld) <i>Breakwater Island Casino Agreement Act 1984</i> (Qld) <i>Lotteries Act 1997</i> (Qld) <i>Cairns Casino Agreement Act 1993</i> (Qld) <i>Charitable and Non-Profit Gaming Act 1999</i> (Qld) <i>Keno Act 1996</i> (Qld) <i>Wagering Act 1998</i> (Qld)</p>

Gaming Machine Act 1991 (Qld)
Racing Act 2002 (Qld)
Casino Act 1997 (SA)
Lottery and Gaming Act 1936 (SA)
Independent Gambling Authority Act 2001 (SA)
Gaming Machines Act 1992 (SA)
State Lotteries Act 1966 (SA)
Racing (Proprietary Business Licensing) Act 2000 (SA)
Authorised Betting Operations Act 2000 (SA)
TAB (Disposal) Act 2000 (SA)
Gaming Control Act 1993 (Tas)
TT-Line Gaming Act 1993 (Tas)
Gambling Regulation Act 2003 (Vic)
Racing Act 1958 (Vic)
Casino Control Act 1991 (Vic)
Casino (Management Agreement) Act 1993 (Vic)
Casino (Burswood Island) Agreement Act 1985 (WA)
Racing and Wagering Western Australia Act 2003 (WA)
Gaming and Wagering Commission Act 1987 (WA)
Betting Control Act 1954 (WA)
Casino Control Act 1984 (WA)
Lotteries Commission Act 1990 (WA)

14 Sector:	Maritime Transport
Obligations Concerned:	Market Access National Treatment
Description:	Australia reserves the right to adopt or maintain any measure with respect to maritime cabotage services and offshore transport services. ²⁸
Existing Measures:	<i>Customs Act 1901 (Cth)</i> <i>Workplace Relations Act 1996 (Cth)</i> <i>Seafarers' Compensation and Rehabilitation Act 1992 (Cth)</i> <i>Occupational Health and Safety (Maritime Industry) Act 1993 (Cth)</i> <i>Shipping Registration Act 1981 (Cth)</i> <i>Income Tax Assessment Act 1936 (Cth)</i> <i>Coastal Trading (Revitalising Australian Shipping) Act 2012 (Cth)</i> <i>Coastal Trading (Revitalising Australian Shipping)(Consequential Amendments and Transitional Provisions) Act 2012 (Cth)</i> <i>Shipping Reform (Tax Incentive) Act 2012 (Cth)</i>

²⁸ For the purposes of this entry, the term “cabotage” means the transportation of passengers or goods between a port located in Australia and another port located in Australia and traffic originating and terminating in the same port located in Australia. The term “offshore transport” means shipping services involving the transportation of passengers or goods between a port located in Australia and any location associated with or incidental to the exploration or exploitation of natural resources of the continental shelf of Australia, the seabed of the Australian coastal sea and the subsoil of that seabed.

15	Sector:	Maritime Transport
	Obligations Concerned:	National Treatment
	Description:	Australia reserves the right to adopt or maintain any measure with respect to the registration of vessels in Australia.
	Existing Measures:	<i>Shipping Registration Act 1981 (Cth)</i>

16	Sector:	Transport Services
	Obligations Concerned:	Market Access National Treatment
	Description:	Australia reserves the right to adopt or maintain any measure with respect to investment in federal leased airports.
	Existing Measures:	<i>Airports Act 1996 (Cth)</i> <i>Airports (Ownership-Interests in Shares) Regulations 1996 (Cth)</i> <i>Airports Regulations 1997 (Cth)</i>

17	Sector:	All Sectors
	Obligations Concerned:	Most-Favoured-Nation Treatment
	Description:	<p>Australia reserves the right to adopt or maintain any measure that accords more favourable treatment to the service suppliers or investors of non-parties under any bilateral or multilateral international agreement in force on, or signed prior to, the date of entry into force of this Agreement.²⁹</p> <p>Australia reserves the right to adopt or maintain any measure that accords more favourable treatment to the service suppliers or investors of non-parties under any bilateral or multilateral international agreement in force or signed after the date of entry into force of this Agreement involving:</p> <ul style="list-style-type: none"> (a) aviation; (b) fisheries; or (c) maritime matters, including salvage.
	Existing Measures:	

²⁹ For greater certainty, this right extends to any differential treatment accorded pursuant to a subsequent review or amendment of the relevant bilateral or multilateral international agreement. For the avoidance of doubt, this includes measures adopted or maintained under any existing or future protocol to the *Australia New Zealand Closer Economic Relations - Trade Agreement* (ANZCERTA), done at Canberra on 28 March 1983.

18 Sector: Financial Services

Obligations
Concerned: National Treatment

Description: Australia reserves the right to adopt or maintain any measure with respect to the guarantee by government of government-owned entities, including guarantees related to the privatisation of such entities, which may conduct financial operations.

Existing Measures:

19 Sector: Financial Services

Obligations Concerned: Market Access
National Treatment
Most-Favoured-Nation Treatment

Description: Banking and other Financial Services (excluding Insurance and Insurance-related Services):

Except as provided in paragraphs 2 and 3 of this entry Australia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (x)(i) of Article 8.2 (Definitions) of Chapter 8 (Trade in Services) for banking and other financial services.

Australia shall permit, under terms and conditions that accord national treatment, a services supplier of China to undertake the cross-border provision and transfer of financial information and financial data processing as referred to in paragraph 3(a)(xv) of Article 2 (Definitions) of Annex 8-B (Financial Services) and advisory and other auxiliary services, excluding intermediation, relating to banking and other financial services as referred to in paragraph 3(a)(xvi) of Article 2 (Definitions) of Annex 8-B (Financial Services).

In relation to the following services Australia shall ensure a services supplier of China, upon obtaining an Australian financial services licence and any other necessary authorisations, or exemptions therefrom, in accordance with prescribed Australian laws and regulations, may undertake:

- (a) securities related transactions on a wholesale basis between and among financial institutions and other entities;
- (b) the following services to a collective investment scheme located in Australia:
 - (i) investment advice; and
 - (ii) portfolio management services, excluding:
 - (A) trustee services; and
 - (B) custodial services and execution services that

are not related to managing a collective investment scheme.

Note: For the purposes of this entry, the term “collective investment scheme” means a managed investment scheme as defined under section 9 of the *Corporations Act 2001* (Cth), other than a managed investment scheme operated in contravention of subsection 601ED (5) of the *Corporations Act 2001* (Cth), or an entity that:

- (i) carries on a business of investment in securities, interests in land, or other investments; and
- (ii) in the course of carrying on that business, invests funds subscribed, whether directly or indirectly, after an offer or invitation to the public (within the meaning of section 82 of the *Corporations Act 2001* (Cth)) made on terms that the funds subscribed would be invested.

Existing Measures:

20 Sector: Financial Services

Obligations Concerned: Market Access
National Treatment
Most-Favoured-Nation Treatment

Description: Insurance and Insurance-related Services:

Except as provided in paragraph 2 Australia reserves the right to adopt or maintain any measure with respect to trade in services as defined in subparagraph (x)(i) of Article 8.2 (Definitions) of Chapter 8 (Trade in Services) for insurance and insurance related services.

Australia shall ensure a services supplier of China, under terms and conditions that accord national treatment may provide via cross-border supply mode and whether as a principal, through an intermediary or as an intermediary, the following services:

- (a) insurance of risks relating to:
 - (i) maritime shipping and commercial aviation and space launching and freight (including satellites), with such insurance to cover any or all of the following: the goods being transported, the vehicle transporting the goods and any liability arising therefrom; and
 - (ii) goods in international transit;
- (b) reinsurance and retrocession and the services auxiliary to insurance as referred to in paragraph 3(a)(iv) of Article 2 (Definitions) of Annex 8-B (Financial Services); and
- (c) insurance intermediation, such as brokerage and agency as referred to in paragraph 3(a)(iii) of Article 2 (Definitions) of Annex 8-B (Financial Services) in relation to the services referred to in subparagraphs (a) and (b).

Existing Measures:

21	Sector:	Financial Services
	Obligations Concerned:	Market Access National Treatment Most-Favoured-Nation Treatment
	Description:	Australia reserves the right to adopt or maintain any measure regarding solicitation in its Territory.
	Existing Measures:	

PART 2: SCHEDULE OF SPECIFIC COMMITMENTS ON SERVICES

Referred to in Chapter 8 (Trade in Services) and Chapter 10 (Movement of Natural Persons)

SCHEDULE OF THE PEOPLE'S REPUBLIC OF CHINA

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 ¹	(3) ² 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 ventures and contractual joint ventures. ³ The proportion of foreign investment in an equity joint venture shall be no less than 25 percent of the registered capital of the joint venture. The establishment of branches by enterprises of Australia is unbound, unless otherwise indicated in specific sub-sectors, as the laws and regulations on branches of foreign enterprises are under formulation.	(3) Unbound for all subsidies to domestic services suppliers except those committed by China in its WTO accession.	

¹ Where commitments have been made in respect of “wholly foreign owned enterprises”, joint ventures with foreign majority or minority ownership are also allowed, unless there are special requirements under China’s laws and regulations.

² For the purpose of this Schedule, limitations or commitments that refer to a “foreign” or “Australian” participation by service suppliers of Australia in a company, enterprise, firm or other type of commercial presence in China, (whether “wholly foreign-owned”, “foreign majority ownership”, “foreign investment”, “foreign ownership”, “foreign minority ownership” or any other form of foreign participation stipulated in Chinese law) means the total participation of non-Chinese capital whatever its origin and its owner, including but not exclusively, the participation by service suppliers of Australia. The aforementioned types of foreign participation shall not, collectively or individually, exceed China’s WTO commitments, except the more preferential commitments in the China-Australia FTA as allowed by current Chinese laws, regulations and rules.

³ 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 organised under “Law on Chinese-Foreign Equity Joint Ventures”, “Law on Chinese-Foreign Contractual Joint Ventures” and “Law on Foreign-Capital Enterprises”.

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>Representative offices of enterprises of Australia are permitted to be 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 utilisation 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>	<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>	

	<p>(a) Business visitor⁴ shall be permitted entry for a maximum of 180 days;</p> <p>(b) Manager⁵, executive⁶ and specialist,⁷ defined as senior employees of a corporation of Australia 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>(c) Contractual service supplier⁸ (CSS) shall be granted a stay permit as stipulated in the terms of contracts concerned or for an initial stay not exceeding one year;</p> <p>The services provided by CSS are only limited to the specific sectors as follows:</p> <ol style="list-style-type: none"> (1) medical and dental services; (2) architectural services; (3) engineering services; (4) urban planning services (except general urban planning); (5) integrated engineering services; (6) computer and related services; (7) construction and related engineering services; (8) education services: provided that the CSS shall have acquired a bachelor's degree or above, have received appropriate professional titles or certificates, and have at least two years of professional work experience; and that the Chinese party involved in the contract shall be a juridical person which has the function of providing education services; (9) tourism services; and (10) accounting services. 		
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⁴ “Business visitor” means a natural person of Australia who is: (a) a service seller who is a sales representative of a service supplier of Australia and is seeking temporary entry into China for the purpose of negotiating the sale of services for that service supplier, where such representative will not be engaged in making direct sales to the general public or in supplying services directly; or (b) an investor of Australia, or a duly authorised representative of an investor of Australia, seeking temporary entry into China to establish, expand, monitor, or dispose of a commercial presence of that investor.

⁵ “Manager” means a natural person within an organisation who primarily directs the organisation or a department or subdivision of the organisation, supervises and controls the work of other supervisory, professional or managerial employees, has the authority to hire and fire or take other personnel actions (such as promotion or leave authorisation), and exercises discretionary authority over day-to-day operations.

⁶ “Executive” means a natural person within an organisation who primarily directs the management of the organisation, exercises wide latitude in decision making, and receives only general supervision or direction from higher level executives, the board of directors or stockholders of the business. An executive would not directly perform tasks related to the actual provision of the service nor the operation of an investment.

⁷ “Specialist” means a natural person within an organisation who possesses knowledge at an advanced level of technical expertise, and who possesses proprietary knowledge of the organisation’s service, research equipment, techniques or management.

⁸ “Contractual service supplier” means a natural person of Australia who: (a) is an employee of a service supplier or an enterprise of Australia, whether a company, partnership or firm, who enters into China temporarily in order to perform a service pursuant to a contract between his or her employer and a service consumer(s) in China; (b) is employed by a company, partnership or firm of Australia which has no commercial presence in China where the service is to be supplied; (c) receives his or her remuneration from that employer; and (d) has appropriate educational and professional qualifications relevant to the service to be supplied.

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>(d) Installer and maintainer⁹: the duration of stay for installers and maintainers is subject to the duration of the contract, but shall not exceed 180 days;</p> <p>(e) Accompanying Spouse and Dependent¹⁰:</p> <p>Accompanying spouse and dependent of Australian entrants defined in (b) or (c) are accorded the same period of stay as for the entrants, provided that the stay in China of those entrants is greater than 12 months.</p> <p>The working rights of the abovementioned accompanying spouse and dependent in China are subject to relevant Chinese laws, regulations and rules.</p>		

⁹ “Installer and maintainer” means a natural person who is an installer or maintainer of machinery and/or equipment, where such installation and/or maintenance service by the supplying company is a condition of purchase of the said machinery or equipment. An installer or maintainer cannot perform services which are not related to the service activity which is the subject of the contract.

¹⁰ “Accompanying spouse and dependent” means the entrant’s spouse, their parents and their children who are under 18 years old.

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
II. SPECIFIC COMMITMENTS			
1. BUSINESS SERVICES			
A. Professional Services (a) Legal Services (CPC 861, excluding Chinese law practice)	<ul style="list-style-type: none"> (1) None (2) None (3) Law firms of Australia can provide legal services only in the form of representative offices. Representative offices can engage in profit-making activities. Business scope of representative offices of Australia is only as follows: <ul style="list-style-type: none"> (a) to provide clients with consultancy on the legislation of the country/region where the lawyers of the law firm are permitted to engage in lawyer's professional work, and on international conventions and practices; (b) to handle, when entrusted by clients or Chinese law firms, legal affairs of the country/region where the lawyers of the law firm are permitted to engage in lawyer's professional work; (c) to entrust, on behalf of foreign clients, Chinese law firms to deal with the Chinese legal affairs; (d) to enter into contracts to maintain long-term entrustment relations with Chinese law firms for legal affairs; (e) to provide information on the impact of the Chinese legal environment. 	<ul style="list-style-type: none"> (1) None (2) None (3) All representatives shall be resident in China no less than six months each year. The representative office shall not employ Chinese national registered lawyers. 	<p>(1) In accordance with Chinese laws, regulations and rules, Australian law firms which have established their representative offices in the China (Shanghai) Pilot Free Trade Zone ("FTZ") may enter into contracts with Chinese law firms in the FTZ. Based on such contracts, these Australian and Chinese law firms may dispatch their lawyers to each other to act as legal counsels.</p> <p>This means Chinese law firms may dispatch their lawyers to the Australian law firms to act as legal counsels on Chinese law and international law, and Australian law firms may dispatch their lawyers to the Chinese law firms to act as legal counsels on foreign law and international law. The two sides shall cooperate within their respective business scope.</p>

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>Entrustment allows the representative office of Australia to directly instruct lawyers in the entrusted Chinese law firm, as agreed between both parties. The representatives of an Australian law firm shall be practitioner lawyers who are members of the bar or law society in a WTO Member and have practiced for no less than two years outside of China. The Chief representative shall be a partner or equivalent (e.g., member of a law firm of a limited liability corporation) of a law firm of Australia and have practiced for no less than three years outside of China.</p> <p>(4) Unbound except as indicated in horizontal commitments.</p>	<p>(4) Unbound except as indicated in horizontal commitments.</p>	<p>(2) In accordance with Chinese laws, regulations and rules, Australian law firms which have established their representative offices in the China (Shanghai) Pilot Free Trade Zone (“FTZ”) are permitted to form a commercial association with Chinese law firms in the Shanghai FTZ. Within validity of this commercial association, the two law firms of each side respectively have independent legal status, name, financial operation, and bear civil liabilities independently. Clients of the commercial association are not limited within the Shanghai FTZ. Australian lawyers in this type of commercial association are not permitted to practise Chinese law.</p>

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
(b) Accounting, auditing and bookkeeping services (CPC 862)	(1) None (2) None (3) Partnerships or incorporated accounting firms are limited to Certified Public Accountants (CPAs) licensed by the Chinese authorities. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	<ul style="list-style-type: none"> - Accounting firms of Australia are permitted to affiliate with Chinese firms and enter into contractual agreements with their affiliated firms in other WTO Members. - Issuance of licences to natural persons of Australia who have passed the Chinese national CPA examination shall be accorded national treatment. - Applicants of Australia shall be informed of results in writing no later than 30 days after submission of their applications. - Accounting firms providing services in CPC 862 can engage in taxation and management consulting services. They are not subject to requirements on form of establishment in CPC 865 and 8630.
(c) Taxation services (CPC 8630)	(1) None (2) None (3) Firms of Australia are permitted to establish wholly foreign-owned subsidiaries. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal 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
(d) Architectural services (CPC 8671) (e) Engineering services (CPC 8672) (f) Integrated engineering services (CPC 8673) (g) Urban planning services (except general urban planning) (CPC 8674)	(1) None for scheme design. Co-operation with Chinese professional organisations is required except scheme design. (2) None (3) Wholly foreign-owned enterprises are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) Service suppliers of Australia shall be registered architects/engineers, or enterprises engaged in architectural/engineering/urban planning services, in Australia. (4) Unbound except as indicated in horizontal commitments.	1. For Australian architectural enterprises established in China, when applying for higher-level qualifications, their performance in China and Australia will be recognised by the competent authority in the process of review and approval. 2. For Australian urban planning enterprises established in China, when applying for higher-level qualifications, their performance in China and Australia will be recognised by the competent authority in the process of review and approval.
(h) Medical and dental services (CPC 9312)	(1) None (2) None (3) Service suppliers of Australia are permitted to establish joint venture hospitals or clinics with Chinese partners with quantitative limitations in line with China's needs, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments and as follows: Doctors of Australia with professional certificates issued by Australia shall be permitted to provide short-term medical services in China after they obtain licences from the National Health and Family Planning Commission of the People's Republic of China. The term of service is six months and may extend to one year.	(1) None (2) None (3) The majority of doctors and medical personnel of the joint venture hospital and clinics shall be of Chinese nationality. (4) Unbound except as indicated in horizontal 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
<p>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)</p> <p>(a) Consultancy services related to the installation of computer hardware (CPC 841)</p>	<p>(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.</p>	<p>(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.</p>	
<p>(b) Software implementation services (CPC 842)</p> <p>(c) Data processing services (CPC 843)</p> <p>- Input preparation services (CPC 8431)</p>	<p>(1) None (2) None (3) Wholly foreign-owned enterprises are allowed. (4) Unbound except as indicated in horizontal commitments.</p>	<p>(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.</p>	
<p>- Data processing and tabulation services (CPC 8432)</p> <p>- Time-sharing services (CPC 8433)</p>	<p>(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.</p>	<p>(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.</p>	
<p>C. Research and Development Services</p> <p>- Research & experimental development services on natural sciences and engineering (CPC 8510) (excluding prohibited foreign investment industries defined in <i>Catalogue for the Guidance of Foreign Investment Industries</i> published by the Chinese Government)</p>	<p>(1) Unbound (2) None (3) Wholly foreign-owned enterprises are allowed. (4) Unbound except as indicated in horizontal commitments.</p>	<p>(1) Unbound (2) None (3) None (4) Unbound except as indicated in horizontal commitments.</p>	

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
D. Real Estate Services (a) Real estate services involving own or leased property (CPC 821) (b) Real estate services on a fee or contract basis (CPC 822)	(1) None (2) None (3) Wholly foreign-owned enterprises are allowed. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
F. Other Business Services (a) Advertising Services (CPC 871)	(1) Only through advertising agents registered in China who have the right to provide foreign advertising services. (2) Only through advertising agents registered in China who have the right to provide foreign advertising services. (3) Service suppliers of Australia are permitted to establish advertising enterprises in China. Wholly foreign-owned subsidiaries are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(b) Market research services (CPC 86401, only limited to investigation services designed to secure information on the prospects and performance of an organisation's products in the market)	(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. Requirement for a commercial presence.	(1) Unbound (2) Unbound (3) Unbound (4) Unbound except as indicated in horizontal 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
(c) Management Consulting services (CPC 865)	(1) None (2) None (3) Wholly foreign-owned subsidiaries are allowed. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(d) Services related to management consulting (only limited to the following sub-sector) - Project management services other than for construction (CPC 86601)	(1) None (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.	(1) Unbound (2) Unbound (3) Unbound (4) Unbound except as indicated in horizontal commitments.	
(e) Technical testing and analysis services (CPC 8676) and freight inspection covered by CPC 749, excluding statutory inspection services for freight inspection services	(1) None (2) None (3) Services suppliers of Australia which have been engaged in inspection services in Australia for more than three years are permitted to establish joint venture technical testing, analysis and freight inspection companies with no less than US\$ 350,000 in registered capital. Wholly foreign-owned subsidiaries are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(f) Services incidental to agriculture, forestry, hunting and fishing (CPC 881, 882)	(1) None (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal 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
(h) Services incidental to mining (CPC 883, only including oil and natural gas)	(1) Unbound (2) None (3) Only in the form of oil and gas exploitation in cooperation with Chinese partners. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(i) Services incidental to manufacturing (CPC 884, 885, except for 88442, and excluding prohibited foreign investment industries defined in <i>Catalogue for the Guidance of Foreign Investment Industries</i> published by the Chinese Government.)	(1) Unbound* (2) None (3) Wholly foreign-owned subsidiaries are allowed. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(m) Related scientific technical consulting services (CPC 8675) - <u>Field services for iron, copper, manganese, coal bed methane and shale gas.</u> Geological, geophysical (excluding gravity and magnetic prospecting and surveying services) and other scientific prospecting services (part of CPC 86751) Sub-surface surveying services (part of CPC 86752)	(1) None (2) None (3) Only in the form of prospecting and surveying services for iron, copper, manganese, coal bed methane and shale gas in cooperation with Chinese partners. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	In accordance with the requirements of <i>Catalogue for the Guidance of Foreign Investment Priority Industries in the Central and Western Regions</i> , and subject to approval, the Australian services suppliers are allowed to provide comprehensive utilization of mineral resources exploitation services in the central and western regions of China.

* Unbound due to lack of technical feasibility.

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>(m) Related scientific technical consulting services (CPC 8675)</p> <p>- Offshore oil-field services geological, geophysical and other scientific prospecting services (CPC 86751) Sub-surface surveying services (CPC 86752)</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) Only in the form of petroleum exploitation in cooperation with Chinese partners.</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>- Onshore oil-field services</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) 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. In order to carry out the petroleum contract, the service supplier of Australia 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. The service supplier of Australia 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>(4) Unbound except as indicated in horizontal commitments.</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) The service supplier of Australia shall furnish CNPC or SINOPEC accurately and promptly with the reports on the petroleum operations, and shall submit to CNPC or SINOPEC the data and samples as well as various technological, economic, accounting and administrative reports related to petroleum operations. CNPC or SINOPEC shall have the ownership of all of the data records, samples, vouchers and other original information acquired during the implementation of the petroleum operations. The investment of service suppliers of Australia shall be made in US dollars or other hard currencies.</p> <p>(4) Unbound except as indicated in horizontal commitments.</p>	

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
(o) Building-cleaning services (CPC 874)	(1) Unbound* (2) None (3) Wholly foreign-owned enterprises are 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 horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(q) Packaging services (CPC 876)	(1) None (2) None (3) Service suppliers of Australia are permitted to establish wholly foreign-owned subsidiaries. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(r) Printing of packaging materials, on a fee or contract basis (CPC 88442, only limited to the printing of packaging materials)	(1) Unbound (2) Unbound (3) Wholly foreign-owned enterprises are allowed. 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.	

* Unbound due to lack of technical feasibility.

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
(s) Convention services (CPC 87909)	(1) None (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(t) Translation and interpretation services (CPC 87905)	(1) None (2) None (3) Wholly foreign-owned enterprises are 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).	
- Maintenance and repair services (CPC 63, 6112 and 6122) - Maintenance and repair services of office machinery and equipment including computers (CPC 845 and 886) - Rental and leasing services (CPC 831, 832, excluding CPC 83202)	(1) None (2) None (3) Wholly foreign-owned subsidiaries are permitted. For Rental and Leasing services, service suppliers are required to have global assets of US\$ 5 million. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal 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
2. COMMUNICATION SERVICES			
B. Courier Services (CPC 75121, except for those specifically reserved to Chinese postal authorities by law)	(1) None (2) None (3) Service suppliers of Australia are permitted to establish wholly foreign-owned subsidiaries (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
C. Telecommunication Services ¹¹ Value-added Services Including the following: (h) Electronic mail (i) Voice mail (j) On-line information and database retrieval (k) Electronic data interchange (l) Enhanced/Value-added facsimile services (including store and forward, store and retrieve) (m) Code and protocol conversion (n) On-line information and/or data processing (including transaction processing)	(1) See mode 3 (2) None (3) Service suppliers of Australia are permitted to establish joint venture value-added telecommunication enterprises and foreign investment in the joint ventures shall be no more than 50 percent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	Services suppliers of Australia are permitted to set up either Australia-China joint ventures or wholly Australian-owned enterprises in the China (Shanghai) Pilot Free Trade Zone ("FTZ") in order to undertake the following value-added telecom services: 1. Information services (App store only); 2. Store and forward; 3. Call center; and 4. Domestic Multi-Parties Communication. Services suppliers of Australia are permitted to set up Australia-China joint ventures in the FTZ in order to undertake On-line Data and Transaction Processing Services (for-profit E-Commerce). The Australian investment in the joint venture shall be no more than 55 per cent. All these Australia-China joint ventures or wholly Australian-owned telecom enterprises shall be registered in the Shanghai FTZ. The services facilities of these enterprises shall be located in the Shanghai FTZ as well.

¹¹ China's commitments are scheduled in accordance with the following: Notes for Scheduling Basic Telecom Services Commitments (S/GBT/W/2/REV/1) and Market Access Limitations on Spectrum Availability (S/GBT/W/3) attached hereto.

All international telecommunications services shall go through gateways established with the approval of China's telecommunications authorities, which will act as independent regulatory in accordance with the principles of paragraph 5 of the Reference Paper.

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
Basic Telecommunication Services - Paging Services	(1) See mode 3 (2) None (3) Service suppliers of Australia are permitted to establish joint venture enterprises and foreign investment in the joint ventures shall be no more than 50 percent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	China undertakes the obligations contained in the Reference Paper in Attachment 1 attached hereto.
Mobile Voice and Data Services: - Analogue / Digital / Cellular Services - Personal Communication Services	(1) See mode 3 (2) None (3) Service suppliers of Australia are permitted to establish joint ventures only, and foreign investment in the joint ventures shall be no more than 49 percent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal 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
- Domestic Services	(1) See mode 3		(1) None	
(a) Voice services	(2) None		(2) None	
(b) Packet-switched data transmission services	(3) Service suppliers of Australia are permitted to establish joint ventures only, and foreign investment in the joint ventures shall be no more than 49 percent.		(3) None	
(c) Circuit-switched data transmission services				
(f) Facsimile services				
(g) Domestic private leased circuit services	(4) Unbound except as indicated in horizontal commitments.		(4) Unbound except as indicated in horizontal commitments.	
- International Services				
(a) Voice services				
(b) Packet-switched data 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)				

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
D. Audiovisual Services - Videos, including entertainment software and (CPC 83202), distribution services - Sound recording distribution services	(1) None (2) None (3) Services suppliers of Australia are permitted to establish contractual joint ventures with Chinese partners to engage in the distribution of audiovisual products, excluding motion pictures, without prejudice to China's right to examine the content of audio and video products (see footnote 3). (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	Without prejudice to compliance with China's regulations on the administration of films, China allows the importation of motion pictures for theatrical release from foreign countries on a revenue-sharing basis and the number of such imports shall be 20 on an annual basis.
- Cinema Theatre Services	(1) None (2) None (3) Services suppliers of Australia are permitted to construct and/or renovate cinema theatres, with foreign investment no more than 49 percent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal 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
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES (CPC 511, 512, 513 ¹² , 514, 515, 516, 517, 518 ¹³)	(1) Unbound* (2) None (3) Joint ventures, with foreign majority ownership are permitted. Wholly foreign-owned enterprises are permitted. Wholly foreign-owned enterprises can only undertake the following four types of construction projects. 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 percent; and Chinese-foreign jointly constructed projects with foreign investment less than 50 percent but technically difficult to be implemented by Chinese 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 the provincial government. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	Australian construction enterprises established in the China (Shanghai) Pilot Free Trade Zone ("FTZ") may undertake joint Chinese-foreign constructed projects in Shanghai. Under such circumstances, these Australian construction enterprises will be exempted from the foreign investment ratio requirement in the projects.

¹² Including dredging services relating to infrastructure construction.

¹³ 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.

* Unbound due to lack of technical feasibility.

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
4. DISTRIBUTION SERVICES (as defined in Attachment 2)			
A. Commission Agents' Services (excluding salt, tobacco)	(1) Unbound (2) None (3) Wholly foreign-owned enterprises are allowed.	(1) Unbound (2) None (3) None	Australian enterprises are permitted to distribute their products manufactured in China, including the products listed in the market access or sector or sub-sector column, and provide subordinate services as defined in Attachment 2.
B. Wholesale Trade Services (excluding salt, tobacco)	(4) Unbound except as indicated in horizontal commitments.	(4) Unbound except as indicated in horizontal commitments.	Service suppliers of Australia are permitted to provide the full range of related subordinate services, including after sales services, as defined in Attachment 2, for the products they distribute.
C. Retailing Services (excluding tobacco).	(1) Unbound except for mail order. (2) None (3) Wholly foreign-owned enterprises are allowed, except for chain stores which sell products of different types and brands from multiple suppliers with more than 30 outlets. For such chains stores with more than 30 outlets, foreign majority ownership is not permitted if those chain stores distribute any of the following products:	(1) Unbound except for mail order. (2) None (3) None	Australian enterprises may distribute their products manufactured in China, including those excepted products as listed in the market access or sector or sub-sector column, and provide subordinate services as defined in Attachment 2. Service suppliers of Australia are permitted to provide full range of related subordinate services, including after sales services, as defined in Attachment 2, for the products they distribute.

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>books, newspapers, magazines, pharmaceutical products, pesticides, mulching films, processed oil, crude oil, chemical fertilizers and products listed in Annex 2a of the Protocol of China's WTO Accession (WT/L/432). The chain store operators of Australia will have the freedom of choice of any partner, legally established in China according to China's laws and regulations.</p> <p>(4) Unbound except as indicated in horizontal commitments.</p>	<p>(4) Unbound except as indicated in horizontal commitments.</p>	
D. Franchising	<p>(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.</p>	<p>(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.</p>	
E. Wholesale or retail trade services away from a fixed location.	<p>(1) None (2) None (3) None¹⁴ (4) Unbound except as indicated in horizontal commitments.</p>	<p>(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.</p>	

¹⁴ See paragraph 310 of the Report of the Working Party on the Accession of China to the WTO.

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
5. EDUCATIONAL SERVICES (Excluding special education services e.g. military, police, political and party school education)			
A. Primary education services (CPC 921, excluding national compulsory education in CPC 92190)	(1) Unbound (2) None (3) Joint schools may be established, with foreign majority ownership permitted.	(1) Unbound (2) None (3) Unbound	China agrees to list within one year, through its examination and evaluation procedures, on the website www.jsj.edu.cn the 77 Australian CRICOS (the Commonwealth Register of Institutions and Courses for Overseas Students)-registered higher education institutions that are set up in accordance with Australian laws and eligible to confer diplomas or degrees recognised by Australian education authorities.
B. Secondary education services (CPC 922, excluding national compulsory education in CPC 92210)	(4) Unbound except as indicated in horizontal commitments and the following:	(4) Qualifications are as follows:	
C. Higher education services (CPC 923)	Individual education service suppliers of Australia may enter into	possession of Bachelor's degree or above;	
D. Adult education services (CPC 924)	China to provide education services when invited or employed by	and an appropriate professional title or certificate, with two years' professional experience.	
E. Other education services (CPC 929, including English languages training)	Chinese schools and other education institutions.		

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
6. ENVIRONMENTAL SERVICES (excluding environmental quality monitoring and pollution source inspection)			
A. Sewage Services (CPC 9401)	(1) Unbound except for environmental consultation services. (2) None (3) Wholly foreign-owned enterprises are allowed. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
B. Solid Waste Disposal Services (CPC 9402)	(1) Unbound except for environmental consultation services. (2) None (3) Wholly foreign-owned enterprises are allowed. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
C. Cleaning Services of Exhaust Gases (CPC 9404)	(1) Unbound except for environmental consultation services. (2) None (3) Wholly foreign-owned enterprises are allowed. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
D. Noise Abatement Services (CPC 9405)	(1) Unbound except for environmental consultation services. (2) None (3) Wholly foreign-owned enterprises are allowed. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal 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
E. Nature and Landscape Protection Services (CPC 9406)	(1) Unbound except for environmental consultation services. (2) None (3) Foreign services suppliers engaged in environmental services are permitted to provide services only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
F. Other Environmental Protection Services (CPC 9409)	(1) Unbound except for environmental consultation services. (2) None (3) Foreign services suppliers engaged in environmental services are permitted to provide services only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
G. Sanitation Services (CPC 9403)	(1) Unbound except for environmental consultation services. (2) None (3) Wholly foreign-owned enterprises are allowed. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal 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
7. FINANCIAL SERVICES			
<p>A. All Insurance and Insurance-Related Services</p> <p>(a) Life, health and pension/annuities insurance</p> <p>(b) Non-life insurance</p> <p>(c) Reinsurance</p> <p>(d) Services auxiliary to insurance</p>	<p>(1) Unbound except for:</p> <p>(a) reinsurance;</p> <p>(b) international marine, aviation, and transport insurance; and</p> <p>(c) brokerage for large scale commercial risks, international marine, aviation, and transport insurance, and reinsurance.</p> <p>(2) Unbound for brokerage. Other, none.</p> <p>(3) A. <u>Form of establishment</u> Non-life insurers of Australia are permitted to establish as a branch or as a wholly-owned subsidiary; i.e., with no form of establishment restrictions. Life insurers of Australia are permitted 50 percent foreign ownership in a joint venture with the partner of their choice.</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None, except for: - Insurance institutions of Australia shall not engage in the statutory insurance business, except that insurance institutions of Australia are permitted to undertake third party auto liability insurance.</p>	

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>The joint venture partners can freely agree the terms of their engagement, provided they remain within the limits of the commitments contained in this Schedule.</p> <p>For brokerage for insurance of large scale commercial risks and brokerage for reinsurance and brokerage for international marine, aviation, and transport insurance and reinsurance: wholly foreign-owned subsidiaries are permitted.</p> <p>For other brokerage services: Unbound.</p> <p>Internal branching is permitted for insurance firms of Australia which have established joint venture insurance companies or wholly owned subsidiaries in China.</p> <p>Internal branching is permitted for brokerage for insurance of large scale commercial risks and brokerage for reinsurance and brokerage for international marine, aviation, and transport insurance and reinsurance which have established wholly foreign-owned subsidiaries in China.</p>		

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>B. <u>Business Scope</u> Non-life insurers of Australia are permitted to provide “Master policy” (see Attachment 3) insurance/insurance of large scale commercial risks, which has no geographic restrictions. In accordance with national treatment, insurance brokers of Australia are permitted to provide “Master policy” no later than Chinese brokers, under conditions no less favourable.</p> <p>Non-life insurers of Australia are permitted to provide the full range of non-life insurance services to both foreign and domestic clients. Insurers of Australia are permitted to provide health insurance, individual/group insurance and pension/annuities insurance to foreigners and Chinese.</p> <p>Insurers of Australia are permitted to provide reinsurance services for life and non-life insurance as a branch, joint venture, or wholly foreign-owned subsidiary, without geographic or quantitative restrictions on the number of licences issued.</p> <p>C. <u>Licences</u> Licences will be issued with no economic needs test or quantitative limits on licences. Qualifications for establishing an insurance institution of Australia are as follows:</p>		

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 style="list-style-type: none"> - the investor shall be an insurance company of Australia with more than 30 years of establishment experience in a WTO Member; - it shall have a representative office for two consecutive years in China; - it shall have total assets of more than US\$ 5 billion at the end of the year prior to application, except for insurance brokers. <p>Insurance brokers shall have total assets of more than US\$ 200 million.</p> <p>(4) Unbound except as indicated in horizontal commitments.</p>	<p>(4) Unbound except as indicated in horizontal commitments.</p>	

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>B. Banking and Other Financial Services (excluding insurance and securities)</p> <p>Banking services as listed below:</p> <p>(a) Acceptance of deposits and other repayable funds from the public;</p> <p>(b) Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction;</p> <p>(c) Financial leasing;</p> <p>(d) All payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts (including import and export settlement);</p> <p>(e) Guarantees and commitments;</p> <p>(f) Trading for own account or for account of customers: foreign exchange.</p>	<p>(1) Unbound except for the following:</p> <ul style="list-style-type: none"> - Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services; - Advisory, intermediation and other auxiliary financial services on all activities listed in subparagraphs (a) through (k), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy. <p>(2) None</p> <p>(3) <u>Geographic coverage</u> For foreign currency and local currency business, there is no geographic restriction.</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) Except for prudential measures, foreign financial institutions may do business, without restrictions or need for case-by-case approval, with foreign-invested enterprises, non-Chinese natural persons, Chinese natural persons and Chinese enterprises. Otherwise, none.</p>	<p>For financial leasing services, financial leasing corporations of Australia will be permitted to provide financial leasing service at the same time as domestic corporations.</p>

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>B. <u>Clients</u> For foreign currency business, financial institutions of Australia are permitted to provide services in China without restriction as to clients. For local currency business, financial institutions of Australia are permitted to provide services to Chinese enterprises. Financial institutions of Australia are permitted to provide services to all Chinese clients. Financial institutions of Australia licensed for local currency business in one region of China may service clients in any other region.</p> <p>C. <u>Licensing</u> Criteria for authorisation to deal in China's financial services sector are solely prudential (i.e., contain no economic needs test or quantitative limits on licences).</p> <p>Financial institutions of Australia who meet the following condition are permitted to establish a subsidiary of a bank of Australia in China:</p>		

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 style="list-style-type: none"> - total assets of more than US\$ 10 billion at the end of the year prior to filing the application. <p>Financial institutions of Australia who meet the following condition are permitted to establish a branch of a bank of Australia in China:</p> <ul style="list-style-type: none"> - total assets of more than US\$ 20 billion at the end of the year prior to filing the application. <p>Financial institutions of Australia who meet the following condition are permitted to establish a Chinese-foreign joint bank in China:</p> <ul style="list-style-type: none"> - total assets of more than US\$ 10 billion at the end of the year prior to filing the application. <p>Qualifications for financial institutions of Australia to engage in local currency business are as follows:</p> <ul style="list-style-type: none"> - one year business operation in China prior to the application, otherwise, none. <p>(4) Unbound except as indicated in horizontal commitments.</p>	<p>(4) Unbound except as indicated in horizontal commitments.</p>	<p>China removes the requirement that an Australian bank has to set up a representative office in China in order to set up operational foreign-funded banks (such as branches or subsidiaries*).</p> <p>If one branch of an Australian bank established in China has obtained the permission to engage in RMB business, other branches established by the same Australian bank in China may apply to engage in RMB business provided that they have met relevant prudential requirements.</p> <p>China removes the minimum requirement on the amount of the non-callable operating capital allocated from an Australian subsidiary* to each of its branches in China.</p> <p>Subsidiaries* established in China by Australian banks will be allowed to engage in credit asset securitization business and enjoy national treatment on condition that they have met the requirements of <i>the Administrative Rules on the Pilot Program of Credit Asset Securitization by Financial Institutions</i> and obtained approval.</p>

*. "Subsidiary" refers to a banking subsidiary established by an Australian bank pursuant to *the Regulations of the People's Republic of China on Administration of Foreign-funded Banks*.

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
- Motor vehicle financing by non-bank financial institutions	<p>(1) Unbound except for the following:</p> <ul style="list-style-type: none"> - Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services; - Advisory, intermediation and other auxiliary financial services on all activities listed in subparagraphs (a) through (k), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy. <p>(2) None (3) None (4) Unbound except as indicated in horizontal commitments.</p>	<p>(1) Unbound</p> <p>(2) None (3) None (4) Unbound except as indicated in horizontal commitments.</p>	
<p>- Other financial services as listed below:</p> <p>(k) Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services;</p> <p>(l) Advisory, intermediation and other auxiliary financial services on all activities listed in subparagraphs (a) through (k), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy.</p>	<p>(1) None (2) None (3) None. Criteria for authorisation to deal in China's financial services sector are solely prudential (i.e., contain no economic needs test or quantitative limits on licences). Branches of institutions of Australia are permitted. (4) Unbound except as indicated in horizontal commitments.</p>	<p>(1) None (2) None (3) None</p> <p>(4) Unbound except as indicated in horizontal commitments.</p>	

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>The joint venture securities companies which have two years business operation in China and meet the regulatory requirements and conditions, upon approval, are permitted to engage in securities brokerage, proprietary trading and asset management.</p> <p>Service suppliers of Australia are permitted to establish joint venture futures companies, with foreign investment up to 49 percent.</p> <p>(b) Criteria for authorisation to deal in China's financial industry are solely prudential (i.e., contain no economic needs test or quantitative limits on licences).</p> <p>(4) Unbound except as indicated in horizontal commitments.</p>	<p>(4) Unbound except as indicated in horizontal commitments.</p>	

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
8. HEALTH RELATED AND SOCIAL SERVICES A. Hospital services (CPC 9311) (excluding Traditional Chinese Medicine hospitals)	(1) Unbound (2) Unbound (3) Qualified service suppliers of Australia are permitted to establish wholly foreign-owned hospitals by constitution or acquisition in Beijing, Tianjin, Shanghai, Jiangsu, Fujian, Guangdong and Hainan province. The establishment procedures, practice registration, diagnosis and treatment activities of such hospitals are subject to Chinese laws, regulations and rules, and the relevant rules of the abovementioned areas on foreign investment in hospitals shall be applied as well. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound (2) Unbound (3) Unbound (4) Unbound except as indicated in horizontal commitments.	
B. Social Services - Services for the aged (part of CPC 93311 and 93323)	(1) Unbound (2) Unbound (3) Service suppliers of Australia are permitted to establish wholly foreign-owned profit-making institutions for the aged in China. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound (2) Unbound (3) Unbound (4) Unbound except as indicated in horizontal 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
9. TOURISM AND TRAVEL RELATED SERVICES			
A. Hotels (including apartment buildings) and Restaurants (CPC 641-643)	(1) None (2) None (3) Services suppliers of Australia may construct, renovate and operate hotel and restaurant establishments in China. Wholly foreign-owned subsidiaries are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
B. Travel Agency and Tour Operator (CPC 7471)	(1) None (2) None (3) Wholly foreign-owned subsidiaries are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None except that joint ventures or wholly foreign-owned travel agencies and tour operators are not permitted to engage in the activities of Chinese travelling abroad and to Hong Kong China, Macao China and Chinese Taipei. (4) Unbound except as indicated in horizontal 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
10. RECREATIONAL, CULTURAL AND SPORTING SERVICES: (other than audiovisual services) D. Sporting and other recreational services (Only limited to CPC 96411, 96412, 96413, 96419 excluding golf)	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal 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
11. TRANSPORT SERVICES			

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>A. Maritime Transport Services</p> <p>- International transport (freight and passengers) (CPC 7211 and 7212 less cabotage transport services)</p>	<p>(1) (a) Liner shipping (including passenger transportation): None (b) Bulk, tramp and other international shipping (including passenger transportation): None</p> <p>(2) None</p> <p>(3) (a) Establishment of registered companies for the purpose of operating a fleet under the national flag of the People's Republic of China:</p> <p>- Service suppliers of Australia are permitted to establish joint venture shipping companies.</p> <p>- Foreign investment shall not exceed 49 percent of the total registered capital of the joint venture.</p> <p>- The chairman of board of directors and the general manager of the joint venture shall be appointed by the Chinese side. (b) Other forms of commercial presence for the supply of international maritime transport services: Unbound</p> <p>(4) (a) Ship's crew: Unbound except as indicated in horizontal commitments. (b) Key personnel employed by Commercial Presence as defined under mode (3) (b) above: Unbound except as indicated in horizontal commitments.</p>	<p>(1) (a) None (b) None</p> <p>(2) None</p> <p>(3) (a) None (b) Unbound</p> <p>(4) (a) Unbound except as indicated in horizontal commitments. (b) Unbound except as indicated in horizontal commitments.</p>	<p>A: The following services at the port are made available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions:</p> <ol style="list-style-type: none"> 1. Pilotage 2. Towing and tug assistance 3. Provisioning, fuelling and watering 4. Garbage collecting and ballast waste disposal 5. Port Captain's services 6. Navigation aids 7. Shore-based operational services essential to ship operations, including communications, water and electrical supplies 8. Emergency repair facilities 9. Anchorage, berth and berthing services. <p>B: 1. Qualified maritime service suppliers of Australia are allowed to establish wholly foreign-owned ship management enterprises in the China (Shanghai) Pilot Free Trade Zone ("Shanghai FTZ");</p> <p>2. Qualified maritime service suppliers of Australia are allowed to establish joint venture shipping companies in the Shanghai FTZ, with foreign majority ownership permitted.</p> <p>3. The chairman of board of directors and the general manager of the joint venture international shipping companies established in the Shanghai FTZ may be appointed by the Chinese and Australian sides through consultation.</p> <p>4. For the ships owned or bareboat-chartered by the joint venture international shipping companies established in the Shanghai FTZ, the registration of such ships may be carried out in accordance with the international ship registration system in the Shanghai FTZ.</p>

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
H. Auxiliary Services (a) Maritime cargo-handling services (CPC 741)	(1) Unbound* (2) None (3) Only in the form of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(c) Customs clearance services	(1) Unbound (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	(1) Unbound (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(d) Container station and depot services	(1) Unbound* (2) None (3) Only in forms of joint ventures, with foreign majority ownership permitted. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
(e) Maritime agency services	(1) None (2) None (3) Only in forms of joint ventures, with foreign equity share no more than 49 percent. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

* Unbound due to lack of technical feasibility.

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
B. Internal Waterways Transport (b) Freight transport (CPC 7222)	(1) Only international shipping in ports open to foreign vessels are permitted. (2) None (3) Unbound (4) Unbound except as indicated in horizontal commitments.	(1) Limitations as indicated under market access column. (2) None (3) Unbound (4) Unbound except as indicated in horizontal commitments	
C. Air Transport Services (d) Aircraft repair and maintenance services (CPC 8868)	(1) Unbound* (2) None (3) Service suppliers of Australia are permitted to establish joint venture aircraft repair and maintenance enterprises in China. The Chinese side shall hold at least 51 per cent shares in the joint ventures. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	
- Selling and marketing of air transport services	(1) None (2) None (3) Foreign enterprises, which are designated to operate as per the bilateral air services agreements, can establish offices in China. (4) Unbound except as indicated in horizontal commitments.	1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

* Unbound due to lack of technical feasibility.

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
- Computer Reservation System (CRS) services	<p>(1) (a) Foreign computer reservation systems may provide services to Chinese aviation enterprises and aviation agents by connecting through a Chinese computer reservation system. (b) Direct access to and use of foreign computer reservation systems by aviation agents are subject to the approval of the General Administration of Civil Aviation of China (CAAC).</p> <p>(2) None</p> <p>(3) (a) Foreign CRS providers are permitted to establish joint ventures with Chinese CRS providers in China to provide CRS services. (b) The Chinese side shall hold at least 51 per cent shares in the joint ventures. (c) 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>(1) None</p> <p>(2) None</p> <p>(3) None</p> <p>(4) Unbound except as indicated in horizontal commitments.</p>	
Airport Operation Services	<p>(1) Unbound*</p> <p>(2) None</p> <p>(3) Unbound</p> <p>(4) Unbound except as indicated in horizontal commitments.</p>	<p>(1) Unbound*</p> <p>(2) None</p> <p>(3) Unbound</p> <p>(4) Unbound except as indicated in horizontal commitments.</p>	

* Unbound due to lack of technical feasibility.

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
Ground Handling Services ¹⁵	(1) Unbound* (2) None (3) Service suppliers of Australia are permitted to establish joint venture enterprises to supply ground handling services. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound* (2) None (3) None (4) Unbound except as indicated in horizontal commitments	
Specialty Air Services ¹⁶	(1) None (2) None (3) Unbound (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) Unbound (4) Unbound except as indicated in horizontal commitments.	
E. Rail Transport Services F. Road Transport Services - Freight transportation by rail (CPC 7112) - Freight transportation by road in trucks or cars (CPC 7123)	(1) None (2) None (3) For rail transport, wholly foreign-owned subsidiaries are permitted. For road transport, wholly foreign-owned subsidiaries are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) None (2) None (3) None (4) Unbound except as indicated in horizontal commitments.	

¹⁵ “Ground Handling Services” includes services of ULD (Unit Load Device) Control, Passengers and Baggage and Cargo and Mail, Ramp, Aircraft Servicing (part of Annex A of Standard Ground Handling Agreement (SGHA) (IATA 1998 version)).

* Unbound due to lack of technical feasibility.

¹⁶ Specialty Air Services do not include projects related to national security.

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
F. Road Transport Services - 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 are permitted. (4) Unbound except as indicated in horizontal commitments.	(1) Unbound (2) None (3) None (4) Unbound except as indicated in horizontal 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
<ul style="list-style-type: none"> - Freight forwarding agency services (CPC 748) - Other (CPC 749) excluding freight inspection 	<p>(1) None</p> <p>(2) None</p> <p>(3) Freight forwarding agencies of Australia which have at least three consecutive years experience are permitted to set up freight forwarding agency joint ventures in China.</p> <p>Wholly foreign-owned subsidiaries are permitted.</p> <p>Operation term of the joint ventures shall not exceed 20 years.</p> <p>After one year operating in China, the joint venture may set up branches.</p> <p>A freight forwarding agency of Australia may set up a second joint venture after its first joint venture has been in operation for two years.</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>	

ATTACHMENT 1

Reference Paper

Scope

The following are definitions and principles on the regulatory framework for the basic telecommunications services.

Definitions

Users mean service consumers and service suppliers.

Essential facilities mean facilities of a public telecommunications transport network or service that:

- (a) are exclusively or predominantly provided by a single or limited number of suppliers; and
- (b) cannot feasibly be economically or technically substituted in order to provide a service.

A major supplier is a supplier which has the ability to materially affect the terms of participation (having regard to price and supply) in the relevant market for basic telecommunications services as a result of:

- (a) control over essential facilities; or
- (b) use of its position in the market.

1. Competitive safeguards

1.1 Prevention of anti-competitive practices in telecommunications

Appropriate measures shall be maintained for the purpose of preventing suppliers who, alone or together, are a major supplier from engaging in or continuing anti-competitive practices.

1.2 Safeguards

The anti-competitive practices referred to above shall include in particular:

- (a) engaging in anti-competitive cross-subsidisation;
- (b) using information obtained from competitors with anti-competitive results; and
- (c) not making available to other services suppliers on a timely basis technical information about essential facilities and commercially relevant information which are necessary for them to provide services.

2. Interconnection

2.1 This section applies to linking with suppliers providing public telecommunications transport networks or services in order to allow the users of one supplier to communicate with users of another supplier and to access services provided by another supplier, where specific commitments are undertaken.

2.2 Interconnection to be ensured

Interconnection with a major supplier will be ensured at any technically feasible point in the network. Such interconnection is provided.

- (a) under non-discriminatory terms, conditions (including technical standards and specifications) and rates and of a quality no less favourable than that provided for its own like services or for like services of non-affiliated service suppliers or for its subsidiaries or other affiliates;
- (b) in a timely fashion, on terms, conditions (including technical standards and specifications) and cost-oriented rates that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network components or facilities that it does not require for the service to be provided; and
- (c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

2.3 Public availability of the procedures for interconnection negotiations

The procedures applicable for interconnection to a major supplier will be made publicly available.

2.4 Transparency of interconnection arrangements

It is ensured that a major supplier will make publicly available either its interconnection agreements or a reference interconnection offer.

2.5 Interconnection: dispute settlement

A service supplier requesting interconnection with a major supplier will have recourse, either:

- (a) at any time; or
- (b) after a reasonable period of time which has been made publicly known

to an independent domestic body, which may be a regulatory body as referred to in paragraph 5 below, to resolve disputes regarding appropriate terms, conditions and rates for interconnection within a reasonable period of time, to the extent that these have not been established previously.

3. Universal service

China has the right to define the kind of universal service obligation it wishes to maintain. Such obligations will not be regarded as anti-competitive *per se*, provided they are administered in a transparent, non-discriminatory and competitively neutral manner and are not more burdensome than necessary for the kind of universal service defined by China.

4. Public availability of licensing criteria

Where a licence is required, the following will be made publicly available:

- (a) all the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence; and
- (b) the terms and conditions of individual licences.

The reasons for the denial of a licence will be made known to the applicant upon request.

5. Independent regulators

The regulatory body is separate from, and not accountable to, any supplier of basic telecommunications services. The decisions of and the procedures used by regulators shall be impartial with respect to all market participants.

6. Allocation and use of scarce resources

Any procedures for the allocation and use of scarce resources, including frequencies, numbers and rights of way, will be carried out in an objective, timely, transparent and non-discriminatory manner. The current state of allocated frequency bands will be made publicly available, but detailed identification of frequencies allocated for specific government uses is not required.

WORLD TRADE ORGANIZATION

S/GBT/W/2/Rev.1

16 January 1997

(97-0173)

Group on Basic Telecommunications

Note by the Chairman

Revision

It has been suggested by a number of delegations that it might be helpful to produce a brief and simple note on assumptions applicable to the scheduling of commitments in basic telecoms. The purpose of the attached note is to assist delegations in ensuring the transparency of their commitments and to promote a better understanding of the meaning of commitments. This note is not intended to have or acquire any binding legal status.

NOTES FOR SCHEDULING BASIC TELECOM SERVICES COMMITMENTS

1. Unless otherwise noted in the sector column, any basic telecom service listed in the sector column:
 - (a) encompasses local, long distance and international services for public and non-public use;
 - (b) may be provided on a facilities-basis or by resale; and
 - (c) may be provided through any means of technology (e.g., cable^{10,46}, wireless, satellites).
2. Subsector (g) --private leased circuit services -- involves the ability of service suppliers to sell or lease any type of network capacity for the supply of services listed in any other basic telecom service subsector unless otherwise noted in the sector column. This would include capacity via cable, satellite and wireless network.
3. In view of points 1 and 2 above, it should not be necessary to list cellular or mobile services as a separate subsector. However, a number of Members have done so, and a number of offers have commitments only in these subsectors. Therefore, in order to avoid extensive changes in schedules, it would seem appropriate for Members to maintain separate entries for these subsectors.

¹⁰ Including all types of cable.

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CHAIRMAN'S NOTE

Market Access Limitations on Spectrum Availability

Many Members have entries in the market access column of their schedules indicating that commitments are "subject to availability of spectrum/frequency" or similar wording. In light of the physical nature of spectrum and the constraints inherent in its use, it is understandable that Members may have sought to rely on these words to adequately protect legitimate spectrum management policies. There is, however, doubt that words such as "subject to availability of spectrum/frequency" as listed in the market access column of many Members' schedules achieve that objective.

Spectrum/frequency management is not, *per se*, a measure which needs to be listed under Article XVI. Furthermore under the GATS each Member has the right to exercise spectrum/frequency management, which may affect the number of service suppliers, provided that this is done in accordance with Article VI and other relevant provisions of the GATS. This includes the ability to allocate frequency bands taking into account existing and future needs. Also, Members which have made additional commitment in line with the Reference Paper on regulatory principles are bound by its paragraph 6.

Therefore, words such as "subject to availability of spectrum/frequency" are unnecessary and should be deleted from Members' schedules.

ATTACHMENT 2

Distribution Services

Distribution trade services are comprised of four main sub-sectors:

- commission agents services;
- wholesaling;
- retailing; and
- franchising.

The principal services rendered in each subsector can be characterised as reselling merchandise, accompanied by a variety of related subordinated services, including inventory management; assembly, sorting and grading of bulk lots; breaking bulk lots and redistributing into smaller lots; delivery services; refrigeration, storage, warehousing and garage services; sales promotion, marketing and advertising, installation and after sales services including maintenance and repair and training services. Distribution services are generally covered by CPC 61, 62, 63 and 8929.

Commission Agents' Services consist of sales on a fee or contract basis by an agent, broker or auctioneer or other wholesalers of goods/merchandise and related subordinated services.

Wholesaling consist of the sale of goods/merchandise to retailers to industrial, commercial, institutional, or other professional business users, or to other wholesalers and related subordinated services.

Retailing services consist of the sale of goods/merchandise for personal or household consumption either from a fixed location (e.g., store, kiosk, etc.) or away from a fixed location and related subordinated services.

Franchising services consist of the sale of the use of a product, trade name or particular business format system in exchange for fees or royalties. Product and trade name franchising involves the use of a trade name in exchange for fees or royalties and may include an obligation for exclusive sale of trade name products. Business format franchising involves the use of an entire business concept in exchange for fees and royalties, and may include the use of a trade name, business plan, and training materials and related subordinated services.

ATTACHMENT 3

Insurance: Definition of “Master Policy”

Master policy is the policy that provides blanket coverage for the same legal person’s property and liabilities located in different places. Master policy may only be issued by the business department of an insurer’s head office or that of its authorised province-level branch offices. Other branches are not allowed to issue Master policy.

Master policy business with the state key construction projects as its subject-matter insured. If investors on state key construction projects (i.e., projects that are so listed and annually announced by the National Development and Reform Commission) meet either of the following requirements, they may purchase Master policy from insurers that are located in the same place as the investors’ legal persons do.

The investment on the subject-matter insured is all from China (including the reinvestment from the foreign-invested enterprises in China), and the sum of investment of the investor accounts for over 15 percent of the total investment.

The investment is partially from abroad, and partially from China (including the reinvestment from the Foreign-invested enterprises in China), and the sum of investment of the Chinese investor accounts for over 15 percent for the total domestic investment.

For those projects that draw investment all from abroad, every insurer may provide coverage in the form of Master policies.

Master policy covering different subject-matter insured of the same legal person. For those subject-matter insured located in different places and owned by the same legal person (excluding financial, railway, and post and telecommunications industries and enterprises), Master policy may be issued on the basis of either of the following conditions.

For the sake of payment of premium tax, insurance companies incorporated where the legal person or accounting unit of the insurance applicant is located are allowed to issue Master policy.

If over 50 per cent of insurance amount of the subject-matter insured is from a larger or medium sized city, then insurers in that city are allowed to issue Master policy, no matter whether the insurance applicant’s legal person or accounting unit is located in the city.

Motor insurance, credit insurance, employer liabilities insurance, statutory insurance, and other insurance business excluded by the China Insurance Regulatory Committee cannot be underwritten or co-insured by insurers located other than where the subject-insured are located, or covered under a Master policy.