

SECTION 2

HONG KONG, CHINA'S SCHEDULE

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	Limitations on National Treatment	Additional Commitments	
I. HORIZONTAL COMMITMENTS				
ALL SECTORS / SUB-SECTORS INCLUDED IN THIS SCHEDULE	Part 1 of the horizontal commitments in Hong Kong, China's Schedule to Annex 11.6 applies to this Schedule. 1), 2) The commitments made with respect to Mode 1 (cross-border supply) and Mode 2 (consumption abroad) supply of financial services inscribed in this Schedule do not signify a commitment to allow a service supplier from the Area of Chile to solicit business or to conduct marketing in Hong Kong, China.			
	4) Unbound except for business visitors and intra-corporate transferees, subject to the following conditions: (a) <u>Business Visitors</u> I. <u>Definition</u> A business visitor means a natural person of Chile: i.) who is seeking temporary entry to Hong Kong, China for the purpose of : (1) attending meetings or conferences, or engaging in consultations with business colleagues; (2) taking orders or negotiating contracts for a juridical person located in Hong Kong, China but not selling goods or providing services to the general public; or (3) undertaking business consultations concerning the establishment, expansion or	4) Unbound except as indicated in "Limitations on Market Access"	With respect to entry visas/permits for categories of personnel for which market access/national treatment commitments are made, the following information is available on the website of the visa/permit issuing authority: (a) relevant ordinances and regulations; (b) application procedures; and (c) pledge on processing time required on average where applicable.	

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	<p>winding up of a juridical person or investment in Hong Kong, China;</p> <p>ii.) who is not seeking to enter the labour market of Hong Kong, China; and</p> <p>iii.) whose principal place of business, actual place of remuneration and predominant place of accrual of profits remain outside Hong Kong, China.</p> <p>II. <u>Conditions (including duration of stay)</u></p> <p>The commitments are limited to entry and temporary stay for a period not exceeding 90 days, provided that normal immigration requirements are met.</p> <p>(b) <u>Intra-corporate transferees</u></p> <p>I. <u>Definition</u></p> <p>An intra-corporate transferee means a senior manager or a specialist who is an employee of a service supplier of Chile with a commercial presence in Hong Kong, China.</p> <p>A senior manager means a natural person of Chile within an organisation of Chile who:</p> <p>i.) is a senior employee of that organisation with responsibility for the entire organisation's operations, or a substantial part of it, in Hong Kong, China;</p> <p>ii.) has proprietary information of the organisation and receives only general supervision or direction from higher level executives or the board of directors or</p>		

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	<p>stockholders of the organisation; and</p> <p>iii.) supervises and controls the work of other supervisory, professional or managerial employees in Hong Kong, China. This does not include a first-line supervisor, unless the employees supervised are professional, nor does this include an employee who primarily performs tasks necessary for the provision of the service.</p> <p>A specialist means a natural person of Chile within an organisation of Chile who possesses knowledge at an advanced level of technical expertise, possesses proprietary knowledge of the organisation's service, research equipment, techniques, or management; and who is essential to the operation of the concerned service supplier's establishment in Hong Kong, China.</p> <p><u>Conditions (including duration of stay)</u></p> <p>Natural persons of Chile seeking entry into Hong Kong, China as senior manager or specialist under Hong Kong, China's commitments on intra-corporate transferees shall:</p> <p>i.) be employees who have been in the prior employ of the concerned service supplier which sponsors their entry into Hong Kong, China for a period of not less than one year immediately preceding the date of application for admission; and</p> <p>ii.) during their stay in Hong Kong, China, except with the prior approval of the Government of Hong Kong, China, not change employment or employers.</p>		

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	<p>The commitments:</p> <p>i.) shall only apply to natural persons of Chile of service suppliers of Chile which have a bona fide business establishment operating in Hong Kong, China. The number of natural persons who may seek entry under these commitments shall be reasonable having regard to the size and the nature of the business operation of the relevant establishment in Hong Kong, China; and</p> <p>ii.) are limited to entry and temporary stay. Temporary stay implies that the appropriate prior authority will have been applied for and obtained before departure for Hong Kong, China. Temporary stay shall be limited to one year in the first instance, which may be extended up to a total of five years.</p> <p>(c) Temporary entry granted to a natural person of Chile pursuant to Hong Kong, China's commitments on Business Visitors and Intra-corporate Transferees does not exempt that person from the requirements needed to carry out a profession or activity according to the domestic law, and any applicable mandatory codes of practice made pursuant to the domestic law, in force in the Area of Hong Kong, China.</p> <p>(d) Hong Kong, China shall grant temporary entry or extension of stay to the extent provided for in the commitments set out in this Schedule to</p>		

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	<p>natural persons of Chile, provided that those natural persons:</p> <p>i.) follow prescribed application procedures for the immigration formality²⁵ sought; and</p> <p>ii.) meet all relevant eligibility requirements for entry into Hong Kong, China.</p>						
II. SPECIFIC COMMITMENTS							
7. FINANCIAL SERVICES							
A. <u>All Insurance and Insurance-Related Services</u>							
<p>Life, accident and health insurance services</p> <p>Non-life insurance services</p>	<p>1) Unbound</p> <p>2) None other than that statutory insurances must be purchased from an insurer authorised in Hong Kong, China.</p> <p>3) None other than that only an incorporated company authorised by the Insurance Authority (IA) or an association of underwriters approved by the IA is permitted to carry on insurance business. In the case of the former, commercial presence must take the form of a subsidiary, branch or representative office, although insurance business shall not be carried out through a representative office.</p> <p>4) Unbound except as indicated in Horizontal Commitments²⁶</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None other than that the chief executive appointed by the authorised insurer shall normally reside in Hong Kong, China.</p> <p>4) Unbound except as indicated in Horizontal Commitments</p>					

²⁵ It is understood that “immigration formality” means a visa, permit, pass or other document or electronic authority granting a natural person permission to enter, stay, work or establish commercial presence in the Area of Hong Kong, China.

²⁶ Commitments on presence of natural persons are confined to businesses regulated under Hong Kong, China’s banking, securities, insurance and related legislation.

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Reinsurance and retrocession		1) None, provided that the insurance company is a company incorporated outside Hong Kong, China and has no agent nor place of business in Hong Kong, China. 2) None 3) None other than that only an incorporated company authorised by the Insurance Authority (IA) or an association of underwriters approved by the IA is permitted to carry on insurance business. In the case of the former, commercial presence must take the form of a subsidiary, branch or representative office, although insurance business shall not be carried out through a representative office. 4) Unbound except as indicated in Horizontal Commitments ²⁷		1) Unbound 2) Unbound 3) None other than that the chief executive appointed by the authorised insurer shall normally reside in Hong Kong, China. 4) Unbound except as indicated in Horizontal Commitments	
Services auxiliary to insurance (including broking and agency services)		1) None other than claims settlement services, except for settlement of claims under contracts of goods in transit insurance entered into wholly outside Hong Kong, China in respect of goods consigned to Hong Kong, China. 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments ²⁷		1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in Horizontal Commitments	

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B. <u>Banking and Other Financial Services</u> (excluding insurance)			
Acceptance of deposits and other repayable funds from the public	<p>1) Unbound</p> <p>2) None</p> <p>3) None other than that:</p> <p>(a) all authorised institutions (i.e. licensed banks, restricted licence banks and deposit-taking companies) shall maintain a physical presence in Hong Kong, China:</p> <p>(b) in the case of an overseas bank seeking to establish a locally incorporated full licensed bank, the bank must:</p> <p>(i) have maintained a locally incorporated restricted licence bank or deposit taking company (or any combination thereof) in Hong Kong, China for at least three continuous years before they can apply for approval from the Hong Kong Monetary Authority (HKMA) for upgrading to a full licensed banks; or</p> <p>(ii) have maintained a branch in Hong Kong, China for not less than three continuous years before they can apply for approval from HKMA to subsidiarise the operation of the branch by transferring the branch operation to a locally incorporated company; and</p> <p>(c) in the case of an overseas bank seeking to establish a representative office in Hong Kong, China, such offices are prohibited from taking deposits and undertaking banking business in general.</p> <p>4) Unbound except as indicated in Horizontal Commitments²⁸</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None other than that all authorised institutions (local or overseas) must appoint a chief executive and not less than one alternative chief executive, each of whom shall be an individual and ordinarily resident in Hong Kong, China.</p> <p>4) Unbound except as indicated in Horizontal Commitments</p>	

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Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction	1) Unbound 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments ²⁹		1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in Horizontal Commitments	
Financial leasing	1) None 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments ²⁹		1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in Horizontal Commitments	
All payment and money transmission services	1) Unbound 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments ²⁹		1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in Horizontal Commitments	
Guarantees and commitments	1) None 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments ²⁹		1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in Horizontal Commitments	
Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise the following: - Money market instruments (cheques, bills, certificate of deposits, etc.) - foreign exchange	1) Unbound 2) None 3) None other than the following : Only corporations incorporated in Hong Kong, China, may become members of exchange companies recognised under the <i>Securities and Futures Ordinance</i> (in addition, natural persons born in Hong Kong, China or resident in Hong Kong, China for five of the preceding seven years or partnerships composed of such persons may also		1) Unbound 2) Unbound 3) None other than that for dealing in securities or commodities futures, there is a residence requirement in Hong Kong, China in respect of a sole proprietor, or, in the case of a partnership or company, in respect of at least one partner or director, who is registered as a dealer.	

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- derivative products including futures and options - exchange rate and interest rate instruments, including products such as swaps, forward rate agreements, etc. - transferable securities	become members of the Stock Exchange of Hong Kong Limited ³⁰) 4) Unbound except as indicated in Horizontal Commitments ³¹		4) Unbound except as indicated in Horizontal Commitments	
Participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues	1) Unbound 2) None 3) None	4) Unbound except as indicated in Horizontal Commitments ³¹	1) Unbound 2) Unbound 3) None other than that if registration as a dealer is required, as it is in the case of public issues, the limitations as for dealers (above) shall apply. 4) Unbound except as indicated in Horizontal Commitments	
Asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial depository and trust services	1) Unbound 2) None 3) None	4) Unbound except as indicated in Horizontal Commitments ³¹	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in Horizontal Commitments	

³⁰ The residence requirement for memberships can be waived for persons of good reputation with substantial experience of dealing in securities.

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Advisory and other auxiliary financial services on all the activities listed in subparagraph 5(a)(v) to (xv) of <i>GATS Annex on Financial Services</i> , including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy	1) None other than commodity trading and investment advisory service 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments ³²	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in Horizontal Commitments	
Provision and transfer of financial information, and financial data processing and related software by providers of other financial services	1) None 2) None 3) None 4) Unbound except as indicated in Horizontal Commitments ³²	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in Horizontal Commitments	

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