

Courtesy Translation

Annex 6

Trade and Investment Facilitation

1. Pursuant to the Mainland/Macao Closer Economic Partnership Arrangement (hereinafter referred to as the “CEPA”), the Mainland and the Macao Special Administrative Region have concluded this Annex on cooperation in trade and investment facilitation.

2. The two sides agree to cooperate in trade and investment facilitation in seven areas, namely, trade and investment promotion; customs clearance facilitation; commodity inspection, inspection and quarantine of animals and plants, food safety, sanitary quarantine, certification, accreditation and standardization management; electronic business; transparency in laws and regulations; cooperation of small and medium sized enterprises, and industrial cooperation. Cooperation in these areas will follow the guidance and coordination of the Joint Steering Committee set up in accordance with Article 19 of the “CEPA”.

3. Trade and Investment Promotion

The two sides recognize the importance of mutual trade and investment to their economic and social development. Taking into account the actual development of trade and investment as well as the need for growth, the two sides agree to strengthen cooperation in trade and investment promotion.

3.1. Cooperation Mechanisms

Relevant working groups under the Joint Steering Committee will be made full use of in guiding and coordinating cooperation in trade and investment promotion between the two sides.

3.2. Content of Cooperation

Based on past cooperation experience, as well as the development of economic and trade exchanges and cooperation between both sides, the two sides will strengthen cooperation in the following areas:

3.2.1. Notify and publicize their respective policies and regulations on foreign trade and foreign investment promotion, with a view to achieving information sharing.

3.2.2. Exchange views and conduct consultations to solve common problems relating to trade and investment of both sides.

3.2.3. Strengthen communication and cooperation in mutual investment and joint promotion of overseas investment.

3.2.4. Strengthen cooperation in organising exhibitions and arranging delegations to participate in overseas exhibitions.

3.2.5. Co-initiate economic and trade activities to promote trade and investment between the two sides and the Portuguese-speaking countries.

3.2.6. Conduct exchanges on other issues of mutual concern relating to trade and investment promotion.

3.3. Participation of Other Entities

The two sides note that the participation of semi-official and non-official organizations in the area of trade and investment promotion has positive effect and significance. The two sides agree to support and assist these organizations in various ways to launch trade and investment promotion activities.

4. Customs Clearance Facilitation

Recognizing the importance of close and long-term cooperation between the two Customs Administrations and of the implementation of customs clearance facilitation to their economic and social development, the two sides agree to strengthen cooperation in customs clearance facilitation.

4.1. Cooperation Mechanism

The two sides will steer and coordinate cooperation in customs clearance facilitation through customs administrations of both sides and promote the launch of cooperation in customs clearance facilitation through expert groups of the Customs Administrations and relevant departments of the two sides.

4.2. Content of Cooperation

Taking into account the need for different customs clearance systems and monitoring modes as well as experience in cooperation, the two sides agree to strengthen cooperation in the following areas:

4.2.1. Establish a reciprocal notification system to report their respective policies and regulations on customs clearance and management of clearance facilitation.

4.2.2. Conduct studies and exchanges on the differences between their respective customs clearance systems and on existing problems, with a view to enriching the specific content of cooperation in customs clearance facilitation.

4.2.3. Explore the expansion of the scope for further cooperation in strengthening control and enhancing efficiency in respect of customs clearance in areas such as sea and land transportation, intermodal operation and logistics.

4.2.4. Strengthen cooperation in establishing a crisis management mechanism at control points and adopt effective measures to maintain as far as possible smooth clearance on the two sides.

4.2.5. Establish a regular liaison mechanism to study the feasibility of setting up the “Guangdong and Macao Customs Working Group on Operational Efficiency of Road Control Points” under the Guangdong Branch of the General Administration of Customs and the Macao Customs Service.

4.2.6. Study the establishment of the “Expert Group on Cargo Data Sharing and Road Cargo Clearance” under the two Customs Administrations, study the feasibility of data interchange and development of electronic customs clearance systems at control points, strengthen the risk management of customs clearance with technical solutions, and enhance its efficiency in customs clearance.

5. Commodity Inspection, Inspection and Quarantine of Animals and Plants, Food Safety, Sanitary Quarantine, Certification, Accreditation and Standardization Management

Recognizing the importance of protecting the health and safety of Mainland and Macao people in the course of trade in goods and movement of persons, the two sides agree to strengthen cooperation and exchange in the areas of commodity inspection, inspection and quarantine of animals and plants, food safety, sanitary quarantine, certification, accreditation and standardization.

5.1. Cooperation Mechanisms

The two sides will make use of the existing cooperation channels of relevant departments to promote the launch of cooperation in the relevant areas through reciprocal visits, discussions and other modes of communication.

5.2. Content of Cooperation

The two sides agree to strengthen cooperation in the following areas:

5.2.1. Inspection and supervision of products

To ensure the safety of consumers of both sides, the two sides will enhance information flow and exchanges through established communication channels, in particular the exchange of intelligence on the safety of goods, so as to jointly prevent safety problems associated with these goods. The two sides will also promote cooperation in the training of inspection and supervisory officers.

The two sides will study the signing of the “Cooperation Arrangement on Goods Safety”, establish relevant laws and regulations, safety standards, enforce working procedures of the regulations and communication channels in the event of unsafe products, promote the launch of technical exchanges and strengthen training.

5.2.2. Inspection and quarantine of animals and plants

The two sides will establish coordination mechanisms to step up cooperation in inspection and quarantine of animals and plants as well as in food safety, so as to enable both sides to enforce their respective regulations more effectively.

5.2.3. Sanitary quarantine

The two sides will make use of the existing channels to regularly notify each other of the information on epidemic outbreaks occurred in either side and to step up academic exchanges and joint research on health and quarantine issues; discuss sanitary monitoring issues in respect of small vessels navigating between the control points of Guangdong; enhance cooperation in areas such as investigation and prevention of tropical infectious diseases and live vectors, surveillance and control of special articles and radioactive articles, transportation of biological disease factors and the related inspection, treatment and control measures.

5.2.4. Certification, accreditation and standardization management

The two sides will encourage their respective organizations to strengthen cooperation with a view to promoting conformity assessment (including

testing, certification and inspection), accreditation and standardization management.

5.2.5. Increase efficiency in inspection and quarantine

The two sides will strengthen cooperation on customs clearance management on inspection and quarantine; mutually provide customs declaration and inspection information of goods in advance. Simultaneously, in order to increase efficiency in inspection and quarantine at control points, the two sides will study the feasibility of data interchange in mutual customs inspection, electronic monitoring of inspection and quarantine at control points, establishing the electronic data exchange mechanism on inspection and quarantine of products and persons.

6. Electronic business

The two sides recognize that the application and promotion of electronic commerce will create more trade and investment opportunities for both sides. They agree to step up exchange and cooperation in the area of electronic commerce.

6.1. Cooperation Mechanism

Under the guidance and coordination of the Joint Steering Committee, the two sides will set up a working group to act as a communication channel as well as a consultation and coordination mechanism for cooperation in electronic commerce, with a view to promoting cooperation and joint development in the area of electronic commerce.

6.2. Content of Cooperation

The two sides agree to cooperate in the following areas:

6.2.1. Specialized projects in respect of the study and formulation of rules, standards and regulations of electronic commerce, such as feasibility of recognition and intercommunication of a mutual electronic certificate, with a view to creating a favourable environment for promoting and ensuring the healthy development of electronic commerce.

6.2.2. Strengthen exchange and cooperation in areas such as corporate application, promotion and training. Make full use of the relevant government departments of the two sides in promotion and coordination, enhance promotion for electronic commerce, foster interaction between the enterprises of the two sides, and facilitate the launching of electronic commerce among the enterprises.

6.2.3. Strengthen cooperation in implementing electronic government, such as feasibility of information interchange; intensify exchange and cooperation in the development planning of electronic government at various levels.

6.2.4. Cooperate in economic and trade information exchange, and expand the scope and extent of cooperation.

7. Transparency in Laws and Regulations

The two sides recognize that enhanced transparency in laws and regulations is an important foundation for promoting economic and trade flow of the two sides. In the spirit of serving the commercial and industrial enterprises in the two sides, the two sides agree to strengthen cooperation in the area of enhanced transparency of laws and regulations.

7.1. Cooperation Mechanisms

The two sides will cooperate through relevant working groups under the Joint Steering Committee as well as their respective representative agencies.

7.2. Content of Cooperation

The two sides agree to strengthen cooperation in the following areas:

7.2.1. Exchange information on the enactment and revision of laws, regulations and rules in respect of investment, trade and other economic areas.

7.2.2. Disseminate in a timely manner information on policies and regulations through various media including newspapers, journals and websites.

7.2.3. Organize and support the organization of various briefings and seminars on economic and trade policies and regulations.

7.2.4. Provide advisory services to commercial and industrial enterprises through channels such as WTO enquiry points, websites of “Invest in China” and “China Business Guide” of the Mainland; websites of “Macao Economic Services” and “Macao Trade and Investment Promotion Institute” of the Macao Special Administrative Region.

8. Cooperation of Small and Medium Sized Enterprises

The two sides recognize that the development of small and medium sized enterprises plays an important role in increasing employment, promoting economic

development and maintaining social stability. The two sides agree to promote exchanges and cooperation between small and medium sized enterprises of the two sides.

8.1. Cooperation Mechanisms

Establish an operational mechanism between relevant government departments of both sides to promote cooperation between small and medium enterprises of the two sides, with a view to fostering their cooperation and seeking mutual development.

8.2. Content of Cooperation

The two sides agree to support and promote cooperation in the following areas:

8.2.1. Explore jointly the strategy and support policy for the development of small and medium sized enterprises through visits and exchanges.

8.2.2. Organize visits and exchanges on the organizational and operational methods of the intermediaries providing services to small and medium sized enterprises in the two sides, and promote cooperation of the intermediaries.

8.2.3. Establish channels for providing information services to small and medium sized enterprises in the two places, exchange regularly relevant publications, set up dedicated websites, implement progressively information interchange and the interconnection of information website databases of the two sides.

8.2.4. Organize through different forms of direct exchanges and communication between small and medium sized enterprises of the two sides to promote their cooperation.

8.2.5. Promote exchange and cooperation between small and medium sized enterprises of the two sides and overseas small and medium sized enterprises with Macao, as their economic and trade cooperation platform.

8.3. Participation of Other Entities

The two sides support and assist semi-official and non-official organizations to play a part in promoting cooperation between small and medium sized enterprises of the two sides.

9. Industrial Cooperation

The two sides recognize that, in accordance with the principle of complementarity with each other's advantages, overall industrial, social and economic development will benefit from strengthening industrial cooperation and exchanges. The two sides will promote cooperation on industrialization of Chinese medicine and will consider expanding this cooperation to other industrial projects in due time.

9.1. Cooperation Mechanism

A special working group will be established under the supervision of the Joint Steering Committee in appropriate time to deal with the relevant matters regarding industrial cooperation.

9.2. Content of Cooperation

The two sides agree to strengthen cooperation in the following areas:

9.2.1. Conduct joint dedicated studies on cooperation in specific industries in which both sides have their respective specific advantages with respect to the industrial development objectives and positioning of the two sides.

9.2.2. Communicate on industrial development status, development path and the formulation of respective laws and regulations of both sides.

9.2.3. Strengthen cooperation in industrial scientific research, technology and commercialization of scientific research outcomes.

9.2.4. Promote investment cooperation between the enterprises of the two sides in relevant industries.

9.2.5. Support cooperation between the enterprises in relevant industries of the two sides, facilitate bilateral product trade and jointly explore the international market.

10. According to paragraphs 3 and 4 of Article 17 of the "CEPA", any new area or content of trade and investment facilitation agreed by the two sides will be incorporated into this Annex.

11. This Annex will come into effect on the day of signature by the representatives of the two sides.

Signed in duplicate in Macao, this 17th day of October, 2003 in the Chinese language.

Vice Minister of Commerce
People's Republic of China

Secretary for Economy and Finance
Macao Special Administrative Region
of the People's Republic of China

(Signature)

(Signature)