

For information  
On 29 June 2006

**LEGISLATIVE COUNCIL PANEL ON  
COMMERCE AND INDUSTRY**

**MAINLAND AND HONG KONG  
CLOSER ECONOMIC PARTNERSHIP ARRANGEMENT  
(CEPA)  
FURTHER LIBERALIZATION MEASURES in 2006**

**INTRODUCTION**

This note informs Members of the outcome of our discussions with the Central People's Government (CPG) on further liberalization of trade in goods and services under CEPA.

**BACKGROUND**

2. The Mainland and Hong Kong signed the main text of CEPA on 29 June 2003 and its two Supplements to CEPA on 27 October 2004 and 18 October 2005 respectively. Pursuant to Article 3 of CEPA regarding its further development, the two sides agree to broaden and enrich the content of CEPA through continuous and further reciprocal liberalization. In this connection, consultations with the CPG were launched earlier in the year. The two sides signed the agreed text on further liberalization under CEPA (courtesy translation at Annex A) and the confirmation note on rules of origin (ROOs) (courtesy translation at Annex B) on 27 June 2006 in Hong Kong. Key measures agreed are highlighted in paragraphs [3 to 11] below.

**DETAILS**

**Trade in Goods**

3. The Mainland has already granted all products of Hong Kong origin tariff free treatment starting from 1 January 2006 upon applications by local manufacturers and upon the CEPA ROOs being agreed and met. For products without agreed ROO, Hong Kong manufacturers may apply to include these products into the subsequent rounds of ROO discussion which will be held twice a year.

4. Among the products in which Hong Kong traders have indicated interest in the first round of ROO discussion conducted in the first half of 2006, ROOs on 37 products have been worked out. They include aquatic products, food and seasonings, chemical products, plastic and rubber products, and mechanical and electrical products. These products will be eligible for zero tariff starting 1 July 2006 if their corresponding origin criteria are fulfilled. The ROOs basically resemble the liberal origin rules adopted in the first three phases of CEPA and should be welcome by the trade.

### **Trade in Services**

5. Under the latest round of discussions with the CPG, we have agreed with the latter that there will be 15 liberalization measures spreading across 10 areas, namely legal, construction, information technology, convention and exhibition, audiovisual, distribution, tourism, air transport, road transport, and individually owned stores. Details are outlined in the annex of the agreed text at Annex A.

6. The new measures bring tangible benefits to a number of sectors. It should be noted that the liberalization measures under CEPA so far already represent substantial market opening on the part of the Mainland to Hong Kong.

7. Some of the measures under the current phase of liberalization are highlighted below -

**(a) Legal service** – to waive the requirement on the number of full-time lawyers employed by Mainland law firms that operate in association with Hong Kong law firms; to waive the residency requirement for representatives stationed in representative offices of Hong Kong law firms in the Mainland; to allow Hong Kong residents qualified for practice in the Mainland to act as agents in matrimonial and succession cases relating to Hong Kong; to allow Hong Kong barristers to act as agents in civil litigation cases in the Mainland in the capacity of citizens; and to allow Hong Kong residents who have acquired Mainland lawyer qualifications or legal professional qualifications to undergo internship in a branch office of a Mainland law firm set up in Hong Kong.

**(b) Construction** – to allow Hong Kong service suppliers to set up wholly-owned construction engineering cost consulting enterprises in the Mainland; and when applying for qualification, the performance of these Hong Kong service suppliers in both Hong Kong and the Mainland is taken into account in assessing their qualification in the Mainland.

**(c) Tourism** – to allow Hong Kong travel agents set up on a wholly-owned or joint venture basis in Guangdong Province to apply for operating group tours to Hong Kong and Macao for residents of Guangdong Province on a pilot basis.

**(d) Air Transport** – to allow Hong Kong air transport sales agencies to set up wholly owned air transport sales agencies in the Mainland. The registered capital requirement will be the same as that for Mainland enterprises.

8. In accordance with Article 5 of Annex 4 of CEPA, Hong Kong will not impose any new discriminatory measures on Mainland's services and service suppliers in the areas covered by CEPA. This commitment will also be applicable to the current phase of liberalisation. Likewise, Hong Kong service suppliers will be eligible for the preferences of the current phase in accordance with the same qualifying criteria in Annex 5 of CEPA.

9. All the liberalization measures will take effect starting from 1 January 2007, and the Mainland will work out and promulgate the necessary implementation rules and regulations as appropriate.

10. The Mainland and Hong Kong have committed to encourage mutual recognition of professional qualifications as part of the services trade under CEPA. In this connection, a mutual recognition agreement between Mainland construction supervising engineers and Hong Kong building surveyors has been signed on 27 June 2006 in Beijing.

### **Trade and Investment Facilitation**

11. Protection of intellectual property (IP) has been incorporated as a new initiative under trade and investment facilitation of CEPA. This new initiative would help enhance co-operation and exchanges between the two sides on issues relating to IP protection. The setting up of the Mainland Intellectual Property Protection Coordination Centre in Hong Kong would also facilitate the trade in handling IP matters.

### **Further Liberalization**

12. CEPA is an open and developing platform. We will continue to engage the Mainland authorities on further liberalization of trade in goods and services in good time. We shall continue to make efforts to facilitate our professional sectors in making better use of CEPA and securing greater liberalization under it.

## **RENMINBI BUSINESS**

13. The State Council is earnestly studying the scope for further expansion of renminbi business in Hong Kong, which includes allowing Hong Kong importers to settle direct import trade from the Mainland in renminbi, and allowing financial institutions in the Mainland to issue renminbi financial bonds in Hong Kong on a pilot basis. This is a rather complex exercise. The relevant authorities of the State Council are proceeding in full swing with the formulation of administrative arrangements in these regards to ensure smooth implementation of the new measures. This is a major policy initiated by the CPG in support of the consolidation and development of Hong Kong's status as an international financial centre. The HKSAR Government will maintain close liaison with the Mainland authorities to expedite the preparatory work for an early launch of these two types of new business.

## **IMPLICATIONS OF IMPLEMENTATION**

14. CEPA has been offering new business opportunities in the Mainland for Hong Kong businesses and service suppliers, enhancing the attractiveness of Hong Kong to overseas investors. The zero import tariff preference has the potential to attract to Hong Kong manufacturing of brand name products, or manufacturing process with high-value added content or substantial intellectual property input.

15. TID and the Customs & Excise Department will continue to carry out the part of CEPA work related to the certification of goods of Hong Kong origin and of Hong Kong service suppliers. Relevant policy bureaux and departments will be involved in the implementation of those parts of the current phase of liberalization under their purview. The additional work will be met from within their existing resources.

## **PUBLIC CONSULTATION**

16. We have been in touch with the business and professional communities in formulating the strategy for the current consultations under CEPA. Their views and requests have been taken into account in drawing up Hong Kong's wish list in our consultations with the Mainland. We will stay in close and constant dialogue with the stakeholders in the implementation of the further liberalization measures.

## **PUBLICITY**

17. A Trade and Economic Cooperation Forum, to be opened by the visiting Chairman of the Chinese People's Political Consultative Conference, Mr Jia Qinglin, will be held on 29 June 2006 to mark the third anniversary of the signing of CEPA. The Forum, featuring high-level speakers from the Mainland, Hong Kong and Macao, will highlight the importance of regional economic cooperation under CEPA. We will issue information papers to the Legislative Council Commerce and Industry Panel and various trade-related advisory bodies on the new liberalisation measures. The Panel will be briefed at its meeting on 18 July 2006. We will also make other PR arrangements as appropriate.

Commerce, Industry and Technology Bureau  
29 June 2006

**<Courtesy English Translation>**

**Supplement III to the Mainland and Hong Kong Closer Economic Partnership Arrangement**

To further enhance the level of economic and trade exchanges and cooperation between the Mainland<sup>①</sup> and the Hong Kong Special Administrative Region (hereinafter referred to as “Hong Kong”), and pursuant to:

the Mainland and Hong Kong Closer Economic Partnership Arrangement (hereinafter referred to as “CEPA”) signed on 29 June 2003 and its Annexes signed on 29 September 2003;

the Supplement to the Mainland and Hong Kong Closer Economic Partnership Arrangement (hereinafter referred to as “Supplement to the CEPA”) signed on 27 October 2004;

the Supplement II to the Mainland and Hong Kong Closer Economic Partnership Arrangement (hereinafter referred to as “Supplement II to the CEPA”) signed on 18 October 2005;

the two sides agreed to sign this Supplement III on further liberalization of trade in services in the Mainland for Hong Kong and strengthening cooperation in area of trade and investment facilitation of both sides.

**1. Trade in Services**

(1) From 1 January 2007, the Mainland shall further relax the market access conditions in the areas of legal, construction, information technology, convention and exhibition, audiovisual, distribution, tourism, transport and individually owned stores on the basis of the commitments on liberalization of trade in services under “CEPA”, “Supplement to the CEPA” and “Supplement II to the

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<sup>①</sup> In “CEPA”, the “Mainland” refers to the entire customs territory of China.

CEPA”. The specific contents are detailed in the Annex of this Supplement III.

(2) The Annex of this Supplement III is a supplement and amendment to Table 1 of Annex 4 of “CEPA” – “The Mainland’s Specific Commitments on Liberalization of Trade in Services for Hong Kong”, Annex 3 of “Supplement to the CEPA”- “Supplements and Amendments to the Mainland’s Specific Commitments on Liberalization of Trade in Services for Hong Kong” and Annex 2 of “Supplement II to the CEPA”- “Supplements and Amendments II to the Mainland’s Specific Commitments on Liberalization of Trade in Services for Hong Kong”. In the event of conflict with the provisions of the other three instruments, the provisions of the Annex of this Supplement III shall prevail.

(3) “Service suppliers” as referred to in the Annex of this Supplement III shall meet the relevant requirements of Annex 5 of “CEPA” – “Definition of ‘Service Supplier’ and Related Requirements”.

## 2. Trade and Investment Facilitation

To promote cooperation in the area of protection of intellectual property between the two places, the two sides agree to add protection of intellectual property into the area of trade and investment facilitation under “CEPA”. Accordingly:

(1) Paragraph 1 of Article 17 of “CEPA” is amended as follows :

“1. The two sides will promote cooperation in the following areas:

1. trade and investment promotion;
2. customs clearance facilitation;
3. commodity inspection and quarantine, food safety and quality and standardization;
4. electronic business;

5. transparency in laws and regulations;
6. cooperation of small and medium enterprises;
7. cooperation in Chinese traditional medicine and medical products sector;
8. protection of intellectual property.”

(2) Article 2 of Annex 6 of “CEPA” is amended as follows :

“2. The two sides agree to cooperate in trade and investment facilitation in eight areas, namely, trade and investment promotion; customs clearance facilitation; commodity inspection and quarantine, food safety, quality and standardization; electronic business; transparency in laws and regulations; cooperation of small and medium enterprises; cooperation in Chinese traditional medicine and medical products sector; and protection of intellectual property. 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) An article is added to Annex 6 of “CEPA” as Article 10 and the subsequent articles are renumbered accordingly. Article 10 reads as follows:

#### “10. Protection of Intellectual Property

The two sides recognize that strengthening intellectual property protection plays an important role in advancing economic development and promoting economic and trade exchanges and cooperation between the two places. The two sides agree to strengthen cooperation in the area of intellectual property protection.

##### 10.1. Cooperation Mechanism

The two sides will enhance cooperation in the area of intellectual property protection through the cooperation mechanism between relevant government departments of the two places.

## 10.2. Content of Cooperation

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

10.2.1. Exchange and communicate information relating to intellectual property protection of the two places through the Intellectual Property Protection Coordination Centre to be set up in Hong Kong.

10.2.2. Exchange information relating to the formulation and implementation of laws and regulations in respect of intellectual property protection.

10.2.3. Share materials and information relating to intellectual property protection through visits, seminars, relevant publications and other means.

10.2.4. Discuss issues arising from intellectual property protection.”

## 3. Annex

The Annex to this Supplement III forms an integral part of this Supplement III.

## 4. Coming into Effect

This Supplement III shall come into effect on the day of signature by the representatives of the two sides.

Signed in duplicate in Hong Kong, this 27th day of June, 2006 in the Chinese language.

Vice Minister of Commerce

Financial Secretary

People's Republic of China

Hong Kong Special  
Administrative Region of the  
People's Republic of China

(signature)

(signature)

**<Courtesy English Translation>**

Annex

Supplements and Amendments III to the Mainland's Specific Commitments on Liberalization of Trade in Services for Hong Kong<sup>①</sup>

Sectors or sub-sectors	1. Business services
	A. Professional services
	a. Legal services (CPC861)
Specific commitments	<p>1. To waive the requirement on the number of full-time lawyers employed by Mainland law firms that operate in association with Hong Kong law firms (offices).</p> <p>2. To waive the residency requirement in the Mainland for representatives stationed in representative offices of Hong Kong law firms (offices) in the Mainland.</p> <p>3. To allow Hong Kong residents who have acquired Mainland lawyer qualifications or legal professional qualifications and hold a Mainland lawyer's practice certificate to engage in activities as agents in matrimonial and succession cases relating to Hong Kong in the capacity of Mainland lawyers.</p> <p>4. To allow Hong Kong barristers to act as agents in civil litigation cases in the Mainland in the capacity of citizens.</p> <p>5. To allow Hong Kong residents who have acquired Mainland lawyer qualifications or legal professional qualifications to undergo internship in a branch office of a Mainland law firm set up in Hong Kong in accordance with the <i>Outline for Practical Training and the Guidelines on Practical Training</i> as required in the Mainland.</p>

<sup>①</sup> Sectoral classification is based on WTO's GATS Services Sectoral Classification List (GNS/W/120). For the contents of the sectors, reference is made to the relevant CPC, United Nations Provisional Central Product Classification.

Sectors or Sub-sectors	1. Business services
	A. Professional Services
	Construction engineering cost consulting services
Specific commitments	<p>1. To allow Hong Kong service suppliers to set up wholly-owned construction engineering cost consulting enterprises in the Mainland.</p> <p>2. When applying for qualification, the performance of the Hong Kong service suppliers in both Hong Kong and the Mainland is taken into account in assessing their qualification in the Mainland.</p>

Sectors or sub-sectors	1. Business services
	B. Computer and related services
	Information technology services
Specific commitments	<p>Application for qualification of computer information system integration of the Mainland by Hong Kong service suppliers will be assessed in accordance with the following criteria:</p> <ol style="list-style-type: none"> <li>(1) There will be no assessment on the requirement in respect of professional job title, but related academic qualifications and working experience should be assessed;</li> <li>(2) Business turnover in system integration includes projects undertaken in the Mainland and in Hong Kong;</li> <li>(3) In respect of enterprises applying for Level 3 Certification, the number of persons involved in software development and system integration should not be less than 40, of which the number of persons holding academic qualification at undergraduate or higher level university degree should not be less than 80%.</li> </ol> <p>Other assessment criteria will be implemented in accordance with the relevant provisions of the Mainland regulations.</p>

Sectors or sub-sectors	1. Business services
	F. Other business services
	Convention services and exhibition services (CPC87909)
Specific commitments	To allow Hong Kong service suppliers to set up wholly-owned enterprises or enterprises in the form of equity joint venture or contractual joint venture in the Mainland to provide services for organizing exhibitions in Hong Kong and Macao.

Sectors or sub-sectors	2. Communications services
	D. Audiovisual services
	<p>Videos distribution services (CPC83202), Sound recording products distribution services</p> <p>Cinema theatre services</p> <p>Chinese language motion pictures and motion pictures jointly produced</p> <p>Technical services of cable television</p> <p>Jointly produced Television dramas</p> <p>Others</p>
Specific commitments	<p>The State Administration of Radio, Film and Television has delegated to the provincial radio and television administration the authority of examining the finished tapes of Mainland television dramas produced by the production organizations under the provinces, autonomous regions or municipalities and participated by artistes or production crew from Hong Kong.</p>

Sectors or sub-sectors	<p>4. Distribution services</p> <p>A. Commission agents' services (excluding salt and tobacco)</p> <p>B. Wholesale trade services (excluding salt and tobacco)</p> <p>C. Retailing services (excluding tobacco)</p> <p>D. Franchising</p>
Specific commitments	<p>For the same Hong Kong service supplier which opens more than 30 stores accumulatively in the Mainland, if the commodities for sale include books, newspapers, magazines, pharmaceutical products, pesticides, mulching films, chemical fertilizers, staple food, vegetable oil, edible sugar and cotton, and the above commodities are of different brands and come from different suppliers, the Hong Kong service supplier is allowed to become the controlling shareholder, with the proportion of capital contribution not exceeding 65%.<sup>①</sup></p>

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<sup>①</sup> If the commodity for sale is processed oil, the Mainland's commitments to members of the World Trade Organization are still applicable.

Sectors or sub-sectors	<p>9. Tourism and travel related services</p> <p>A. Hotels (including apartment buildings) and restaurants ( CPC641-643 )</p> <p>B. Travel agency and tour operator ( CPC7471 )</p> <p>D. Others</p>
Specific commitments	<p>To allow Hong Kong travel agents set up on a wholly-owned or joint venture basis in Guangdong Province to apply for the operation on a pilot basis of group tours to Hong Kong and Macao for residents of Guangdong Province (residents registered with permanent residence in Guangdong Province).</p>

Sectors or sub-sectors	11. Transport services
	C. Air transport services
	<p>Airport operation services (excl. cargo handling) (CPC74610)</p> <p>Other supporting services for air transport (CPC74690)</p> <p>Sales and marketing services for air transport</p>
Specific commitments	To allow Hong Kong air transport sales agencies to set up wholly-owned air transport sales agencies in the Mainland. The registered capital requirement will be the same as that for Mainland enterprises.

Sectors or sub-sectors	11. Transport services
	F. Road transport services
	<p>Freight transportation by road in trucks or cars (CPC7123)</p> <p>Road passenger transportation (CPC 7121, 7122)</p> <p>Road freight transport station (depot)</p> <p>Motor vehicle repair (CPC61120, 61220)</p>
Specific commitments	<p>To allow Hong Kong service suppliers to set up wholly-owned enterprises in the Mainland to operate the following road transport-related services:</p> <ul style="list-style-type: none"> <li>- road freight transport station (depot); and</li> <li>- motor vehicle repair.</li> </ul>

Sectors or sub-sectors	Service sectors (sectors not set out in GNS/W/120)
	Individually owned stores
Specific commitments	To allow Hong Kong permanent residents with Chinese citizenship to set up, in accordance with the relevant Mainland laws, regulations and administrative regulations, individually owned stores in all provinces, autonomous regions, municipalities directly under the Central Government in the Mainland without being subject to the approval procedures applicable to foreign investments, to provide the following services (excluding franchising operation): crop cultivation; animal husbandry; aquaculture; computer repair services; technology exchange and promotion services. No more than 8 persons should be engaged in the operation of the individually owned stores.

**Confirmation Note on the Rules of Origin for Goods subject to Zero Tariff for the First Half of 2006 under the Mainland and Hong Kong Closer Economic Partnership Arrangement**

Pursuant to the provisions of the Supplement II to the Mainland and Hong Kong Closer Economic Partnership Arrangement, the General Administration of Customs and the Hong Kong Trade and Industry Department have entered into consultations and agreed upon the rules of origin for goods of Hong Kong origin subject to zero tariff for the first half of 2006 (see the Annex). The aforesaid goods and their rules of origin will be promulgated by the General Administration of Customs and will be implemented from 1 July 2006.

The Annex to this confirmation note is a supplement to Table 1 of Annex 2 of the Mainland and Hong Kong Closer Economic Partnership Arrangement - “Schedule on Rules of Origin of Hong Kong Goods Subject to Tariff Preference for Trade in Goods”.

Signed in duplicate in Hong Kong, this 27<sup>th</sup> day June, 2006 in the Chinese language.

Deputy Director  
General Administration of Customs  
People’s Republic of China  
[LIU Wen-jie]

Financial Secretary  
Hong Kong Special  
Administrative Region of the  
People’s Republic of China  
[Tang Ying-yen]

## Annex

### **Schedule on Rules of Origin of Hong Kong Goods** **Subject to Tariff Preference for Trade in Goods in the First Half of 2006**

Serial Nos.	Mainland 2006 tariff codes	Product Description	Origin Criteria
1	03011000	Live ornamental fish	Born and bred in Hong Kong.
2	09041200	Crushed or ground pepper	Manufactured from plants. The principal processes are mixing, grinding and drying.
3	09042010	Dried fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i>	Manufactured from plants. The principal processes are mixing, grinding and drying.
4	09042020	Crushed or ground fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i>	Manufactured from plants. The principal processes are mixing, grinding and drying.
5	09062000	Crushed or ground cinnamon and cinnamon-tree flowers	Manufactured from plants. The principal processes are mixing, grinding and drying.
6	09103000	Turmeric ( <i>Curcuma</i> )	Manufactured from plants. The principal processes are mixing, grinding and drying.
7	09105000	Curry	Manufactured from plants. The principal processes are mixing, grinding and drying.
8	09109100	Mixed spices	Manufactured from plants. The principal processes are mixing, grinding and drying.
9	15010000	Pig fat and poultry fat	Manufactured from raw pork. The principal processes are collection of raw pig fat, cutting, crushing and boiling.
10	23011020	Greaves (fat residues)	Manufactured from raw pork. The principal processes are collection of raw pig fat, cutting, crushing and boiling.
11	29033090	Other fluorinated, brominated or iodinated derivatives of acyclic hydrocarbons, not specified	Manufactured from chemical reaction of natural or chemical materials.
12	31051000	Goods listed in Chapter 31 in tablets or similar forms or in packages of a gross weight not exceeding 10 kg	Manufactured from chemical reaction of natural or chemical materials.
13	31059000	Other fertilizers, not specified	Manufactured from chemical reaction of natural or chemical materials.
14	38151200	Supported catalysts with precious metal or precious metal compounds as the active substance	Manufactured from chemical reaction of natural or chemical materials.

Serial Nos.	Mainland 2006 tariff codes	Product Description	Origin Criteria
15	39011000	Polyethylene having a specific gravity of less than 0.94	(1) Manufactured from polymers, cross linker and other chemical ingredients. The principal processes are blending or mixing, melting or fusion, extruding and pelletising; or (2) Manufactured from plastic wastes. The principal processes are pelletising, extruding and cutting.
16	39012000	Polyethylene having a specific gravity of 0.94 or more	(1) Manufactured from polymers, cross linker and other chemical ingredients. The principal processes are blending or mixing, melting or fusion, extruding and pelletising; or (2) Manufactured from plastic wastes. The principal processes are pelletising, extruding and cutting.
17	40029911	Other synthetic rubber, in primary forms, not specified	Change in tariff heading.
18	40029919	Other synthetic rubber plates, sheets, strip, not specified	Change in tariff heading.
19	84137090	Other centrifugal pumps, rotational speed<10000r/min	(a) Metal working (the metal process may be carried out on imported component parts) and assembling in Hong Kong. The principal processes are cutting, welding, polish-milling, polishing, assembling and testing; and (b) to fulfill the value-added content requirement.
20	84144000	Air compressors mounted on a wheeled chassis for towing	(a) Metal working (the metal process may be carried out on imported component parts) and assembling in Hong Kong. The principal processes are cutting of metal accessories, cutting, welding, assembling and testing; and (b) to fulfill the value-added content requirement.
21	84148090	Other air compressors	(a) Metal working (the metal process may be carried out on imported component parts) and assembling in Hong Kong. The principal processes are cutting of metal accessories, cutting, welding, assembling and testing; and (b) to fulfill the value-added content requirement.
22	84432100	Reel fed letterpress printing machinery	Metal working (the metal process may be carried out on imported component parts) and assembling in Hong Kong, and to fulfill the value-added content requirement.
23	84581100	Lathes for removing metal, horizontal lathes, numerically controlled	Metal working (the metal process may be carried out on imported component parts) and assembling in Hong Kong, and to fulfill the value-added content requirement.
24	84581900	Other lathes for removing metal, horizontal lathes	Metal working (the metal process may be carried out on imported component parts) and assembling in Hong Kong, and to fulfill the value-added content requirement.
25	85021100	Electric generating sets with diesel engines of an output not exceeding 75 KVA	Assembled in Hong Kong and to fulfill the value-added content requirement.

Serial Nos.	Mainland 2006 tariff codes	Product Description	Origin Criteria
26	85021200	Electric generating sets with diesel engines of an output exceeding 75 KVA but not exceeding 375 KVA	Assembled in Hong Kong and to fulfill the value-added content requirement.
27	85021310	Electric generating sets with diesel engines of an output exceeding 375 KVA but not exceeding 2 MVA	Assembled in Hong Kong and to fulfill the value-added content requirement.
28	85021320	Electric generating sets with diesel engines of an output exceeding 2 MVA	Assembled in Hong Kong and to fulfill the value-added content requirement.
29	85363000	Other apparatus for protecting electrical circuits, for a voltage not exceeding 1000 volts	Manufactured from bakelite powder and metal. The principal processes are cutting (including blanking) and assembling. If forming and/or moulding is/are required after cutting, such process/processes must also be done in Hong Kong.
30	87082990	Sunroof printed circuit board; Sunroof glass panel assembly	(a) Change in tariff heading; and (b) to fulfill the value-added content requirement.
31	90322000	Manostats	Manufactured from plastic granules or bulb-making materials. The principal processes are case-making or bulb-making, mainboard-welding and testing. If assembling is required, it must also be done in Hong Kong.
32	90328100	Other automatic regulating or controlling instruments and apparatus, hydraulic or pneumatic, not specified	(a) Change in tariff heading and (b) to fulfill the value-added content requirement.
33	96086000	Refills for ball point pens	(1) Manufactured from refills. The principal processes are ink filling and incorporating the nib; or (2) change in tariff heading.
34	96089100	Pen nibs and nib points	(1) Manufactured from pen-ball. The principal processes are incorporating the pen-ball into pen-ball carrier, and linking it with the pen tube; or (2) change in tariff heading.
35	96089910	Pen used on machines or instruments	Manufactured from pen-ball. The principal processes are incorporating the pen-ball into pen-ball carrier, and linking it with the pen tube.
36	96089920	Duplicating stylos; pen-holders, pencil-holders, etc	Manufactured from pen-ball. The principal processes are incorporating the pen-ball into pen-ball carrier, and linking it with the pen tube.
37	96089990	Other pens parts	(1) Manufactured from pen-ball. The principal processes are incorporating the pen-ball into pen-ball carrier, and linking it with the pen tube; or (2) change in tariff heading.