

ANNEX II

SCHEDULE OF HONG KONG, CHINA¹ (Reservations for Establishment)

EXPLANATORY NOTES

1. This Schedule sets out, pursuant to Article 12.6.2 (Non-Conforming Measures) of Chapter 12 (Establishment and Related Provisions), the specific sectors, sub-sectors or activities for which Hong Kong, China may maintain existing, or adopt new or more restrictive, measures that do not conform with the following obligations:

- (a) Article 12.4 (National Treatment) of Chapter 12 (Establishment and Related Provisions); or
- (b) Article 12.5 (Performance Requirements) of Chapter 12 (Establishment and Related Provisions).

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 obligations referred to in paragraph 1 that, pursuant to Article 12.6.2 (Non-Conforming Measures) of Chapter 12 (Establishment and Related Provisions), do not apply to the sectors, sub-sectors or activities covered by the entry; and
- (c) **Description** sets out the scope or nature of the sectors, sub-sectors or activities covered by the entry to which the reservation applies.

3. In accordance with Article 12.6.2 (Non-Conforming Measures) of Chapter 12 (Establishment and Related Provisions), the obligations of this Agreement specified in the **Obligations Concerned** element of an entry do not apply to the sectors, sub-sectors or activities set out in the **Description** element of that entry.

¹ In case of discrepancy or divergence between the authentic texts, the English text of this Schedule shall prevail.

II-HKC-1
(Establishment)

Sector	All sectors
Obligations Concerned	National Treatment (Article 12.4)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to the acquisition or ownership of land and properties in Hong Kong, China.

II-HKC-2
(Establishment)

Sector All sectors

Obligations Concerned National Treatment (Article 12.4)

Description Hong Kong, China reserves the right to adopt or maintain any measure with respect to the acquisition, sale or other disposition by natural persons of Peru of bonds, bills, notes, or other kinds of debt securities or instruments issued by the Government of the Hong Kong Special Administrative Region of the People's Republic of China (including the Hong Kong Monetary Authority) or by a Government enterprise.

II-HKC-3
(Establishment)

Sector	All sectors
Obligations Concerned	National Treatment (Article 12.4) Performance Requirements (Article 12.5)
Description	<p>Hong Kong, China reserves the right to adopt or maintain any measure with respect to:</p> <ul style="list-style-type: none">(a) public law enforcement, ambulance services, correctional services, fire-fighting and rescue services; and(b) the following, to the extent that they are social services established for a public purpose:<ul style="list-style-type: none">(i) health;(ii) education;(iii) housing;(iv) training;(v) transport;(vi) public utilities;(vii) social security; and(viii) social welfare.

II-HKC-4
(Establishment)

Sector	All sectors
Obligations Concerned	National Treatment (Article 12.4)
Description	<p>Hong Kong, China reserves the right to adopt or maintain any measure with respect to:</p> <ul style="list-style-type: none">(a) the full or partial devolvement to the private sector of services provided in the exercise of governmental authority; and(b) the privatisation, divestment, sale or other disposition of corporate entities, equity interests or assets in government ownership.

II-HKC-5
(Establishment)

Sector	All sectors
Obligations Concerned	National Treatment (Article 12.4)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to new sectors and industries.

II-HKC-6
(Establishment)

Sector	All sectors
Obligations Concerned	National Treatment (Article 12.4)
Description	Hong Kong, China reserves the right to adopt or maintain any measure with respect to its legislation relating wholly or mainly to taxation.