

For Six Month Period Ending 30-Apr-2005
(insert date)

I - REGISTRANT

1. (a) Name of Registrant (b) Registration No.
Burson-Marsteller 2469

(c) Business Address(es) of Registrant
1801 K Street, NW
Suite 901-L
Washington, DC 20006

2. Has there been a change in the information previously furnished in connection with the following:

- (a) If an individual:
- | | | |
|-----------------------|------------------------------|-----------------------------|
| (1) Residence address | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (2) Citizenship | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (3) Occupation | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
- (b) If an organization:
- | | | |
|--------------------------|------------------------------|--|
| (1) Name | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| (2) Ownership or control | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| (3) Branch offices | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
- (c) Explain fully all changes, if any, indicated in items (a) and (b) above.

IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4 AND 5(a).

3. If you have previously filed Exhibit C¹, state whether any changes therein have occurred during this 6 month reporting period.
Yes No
If yes, have you filed an amendment to the Exhibit C? Yes No
If no, please attach the required amendment.

CRM/ISS/REGISTRATION UNIT
2005 JUN 30 AM 10: 59

¹ The Exhibit C, for which no printed form is provided, consists of a true copy of the charter, articles of incorporation, association, and by laws of a registrant that is an organization. (A waiver of the requirement to file an Exhibit C may be obtained for good cause upon written application to the Assistant Attorney General, Criminal Division, U.S. Department of Justice, Washington, DC 20530.)

4. (a) Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period? Yes No

If yes, furnish the following information:

Name	Position	Date connection ended
See Attachment		

(b) Have any persons become partners, officers, directors or similar officials during this 6 month reporting period? Yes No

If yes, furnish the following information:

Name	Residence address	Citizenship	Position	Date assumed
See Attachment				

5. (a) Has any person named in item 4(b) rendered services directly in furtherance of the interests of any foreign principal? Yes No

If yes, identify each such person and describe his service.

(b) Have any employees or individuals, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period? Yes No

If yes, furnish the following information:

Name	Position or connection	Date terminated
See Attachment		

(c) During this 6 month reporting period, has the registrant hired as employees or in any other capacity, any persons who rendered or will render services to the registrant directly in furtherance of the interests of any foreign principal(s) in other than a clerical or secretarial, or in a related or similar capacity? Yes No

If yes, furnish the following information:

Name	Residence address	Citizenship	Position	Date assumed
See Attachment				

6. Have short form registration statements been filed by all of the persons named in Items 5(a) and 5(c) of the supplemental statement? Yes No

If no, list names of persons who have not filed the required statement.

See Attachment

II - FOREIGN PRINCIPAL

7. Has your connection with any foreign principal ended during this 6 month reporting period?

Yes No

If yes, furnish the following information:

Name of foreign principal	Date of termination
Forest Products Association of Canada	Nov-04

8. Have you acquired any new foreign principal² during this 6 month reporting period?

Yes No

If yes, furnish the following information:

Name and address of foreign principal	Date acquired
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9. In addition to those named in Items 7 and 8, if any, list foreign principals² whom you continued to represent during the 6 month reporting period.

Government of the Republic of the Philippines
 Hong Kong Special Administrative Region - Hong Kong Economic and Trade Offices
 Consejo de Promocion Turistica de mexico S.A. de C.V.

10. **EXHIBITS A AND B**

(a) Have you filed for each of the newly acquired foreign principals in Item 8 the following:

Exhibit A ³	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Exhibit B ⁴	Yes <input type="checkbox"/>	No <input type="checkbox"/>

If no, please attach the required exhibit.

(b) Have there been any changes in the Exhibits A and B previously filed for any foreign principal whom you represented during the 6 month period? Yes No

If yes, have you filed an amendment to these exhibits? Yes No

If no, please attach the required amendment.

² The term "foreign principal" includes, in addition to those defined in Section 1(b) of the Act, an individual organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a) (9).) A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

³ The Exhibit A, which is filed on Form CRM-157 (Formerly OBD -67), sets forth the information required to be disclosed concerning each foreign principal.

⁴ The Exhibit B, which is filed on Form CRM-155 (Formerly OBD-65), sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.

III - ACTIVITIES

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11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 7, 8, and 9 of this statement? Yes No

If yes, identify each such foreign principal and describe in full detail your activities and services:

See Attachment

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12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity⁵ as defined below?
Yes No

If yes, identify each such foreign principal and describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates and places of delivery, names of speakers and subject matter.

See Attachment

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13. In addition to the above described activities, if any, have you engaged in activity on your own behalf which benefits any or all of your foreign principals? Yes No

If yes, describe fully.

Received an award for the North American Travel Journalists Association for the press website www.visitmexicopress.com.

⁵ The term "political activities" means any activity that the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

IV - FINANCIAL INFORMATION

14 . (a) RECEIPTS-MONIES

During this 6 month reporting period, have you received from any foreign principal named in Items 7, 8, and 9 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise? Yes No

If no, explain why.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies⁶

Date	From whom	Purpose	Amount
See attachment			

Total

(b) RECEIPTS - FUND RAISING CAMPAIGN

During this 6 month reporting period, have you received, as part of a fund raising campaign⁷, any money on behalf of any foreign principal named in items 7, 8, and 9 of this statement? Yes No

If yes, have you filed an Exhibit D⁸ to your registration? Yes No

If yes, indicate the date the Exhibit D was filed. Date _____

(c) RECEIPTS - THINGS OF VALUE

During this 6 month reporting period, have you received any thing of value⁹ other than money from any foreign principal named in Items 7, 8, and 9 of this statement, or from any other source, for or in the interests of any such foreign principal? Yes No

If yes, furnish the following information:

Name of foreign principal	Date received	Description of thing of value	Purpose
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6, 7 A registrant is required to file an Exhibit D if he collects or receives contributions, loans, money, or other things of value for a foreign principal, as part of a fund raising campaign. (See Rule 201(e).)

8 An Exhibit D, for which no printed form is provided, sets forth an account of money collected or received as a result of a fund raising campaign and transmitted for a foreign principal.

9 Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

15. (a) **DISBURSEMENTS – MONIES**

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 7, 8, and 9 of this statement? Yes No

(2) transmitted monies to any such foreign principal? Yes No

If no, explain in full detail why there were no disbursements made on behalf of any foreign principal.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

Date	To whom	Purpose	Amount
See Attachment			

Total

(b) DISBURSEMENTS – THINGS OF VALUE

During this 6 month reporting period, have you disposed of anything of value¹⁰ other than money in furtherance of or in connection with activities on behalf of any foreign principal named in Items 7, 8, and 9 of this statement?

Yes No

If yes, furnish the following information:

Date disposed	Name of person to whom given	On behalf of what foreign principal	Description of thing of value	Purpose
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(c) DISBURSEMENTS – POLITICAL CONTRIBUTIONS

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value¹¹ in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office?

Yes No

If yes, furnish the following information:

Date	Amount or thing of value	Name of political organization	Name of candidate
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^{10, 11} Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks" and the like.

V - INFORMATIONAL MATERIALS

16. During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any informational materials ^{12?}
Yes No

IF YES, RESPOND TO THE REMAINING ITEMS IN SECTION V.

17. Identify each such foreign principal.

Hong Kong Special Administrative Region - Hong Kong Economic and Trade Offices
Consejo de Promocion Turistica de mexico S.A. de C.V.

18. During this 6 month reporting period, has any foreign principal established a budget or allocated a specified sum of money to finance your activities in preparing or disseminating informational materials? Yes No

If yes, identify each such foreign principal, specify amount, and indicate for what period of time.

19. During this 6 month reporting period, did your activities in preparing, disseminating or causing the dissemination of informational materials include the use of any of the following:

- Radio or TV broadcasts
- Magazine or newspaper articles
- Motion picture films
- Letters or telegrams
- Advertising campaigns
- Press releases
- Pamphlets or other publications
- Lectures or speeches
- Internet
- Other (specify) _____

20. During this 6 month reporting period, did you disseminate or cause to be disseminated informational materials among any of the following groups:

- Public Officials
- Newspapers
- Libraries
- Legislators
- Editors
- Educational institutions
- Government agencies
- Civic groups or associations
- Nationality groups
- Other (specify) _____

21. What language was used in the informational materials:

- English
- Other (specify) Spanish

22. Did you file with the Registration Unit, U.S. Department of Justice a copy of each item of such informational materials disseminated or caused to be disseminated during this 6 month reporting period? Yes No

See Attachment

23. Did you label each item of such informational materials with the statement required by Section 4(b) of the Act? Yes No

See Item 22

12 The term informational materials includes any oral, visual, graphic, written, or pictorial information or matter of any kind, including that published by means of advertising, books, periodicals, newspapers, lectures, broadcasts, motion pictures, or any means or instrumentality of interstate or foreign commerce or otherwise. Informational materials disseminated by an agent of a foreign principal as part of an activity in itself exempt from registration, or an activity which by itself would not require registration, need not be filed pursuant to Section 4(b) of the Act.

VI – EXECUTION

In accordance with 28 U.S.C. §1746, the undersigned swear(s) or affirm(s) under penalty of perjury that he/she has (they have) read the information set forth in this registration statement and the attached exhibits and that he/she is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her (their) knowledge and belief, except that the undersigned make(s) no representation as to the truth or accuracy of the information contained in the attached Short Form Registration Statement(s), if any, insofar as such information is not within his/her (their) personal knowledge.

(Date of signature)

(Type or print name under each signature¹³)

6-24-05



Sharon Balkam
Managing Director/Business Manager
U.S. Public Affairs Practice

¹³ This statement shall be signed by the individual agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions, if the registrant is an organization, except that the organization can, by power of attorney, authorize one or more individuals to execute this statement on its behalf.

THIS FORM IS TO BE AN OFFICIAL ATTACHMENT TO YOUR CURRENT
 SUPPLEMENTAL STATEMENT - PLEASE EXECUTE IN TRIPLICATE

SHORT-FORM REGISTRATION INFORMATION SHEET

SECTION A

The Department records list active short-form registration statements for the following persons of your organization filed on the date indicated by each name. If a person is not still functioning in the same capacity directly on behalf of the foreign principal, please show the date of termination.

Short Form List For Registrant: Burson-Marsteller

Last Name	First Name and Other Names	Registration Date	Termination Date	Role
Arana	Beatriz	5/25/04	6/24/05	
Bedolla	Leon F.	5/25/04		
Benjamin	Todd Owren	11/12/02	2/3/05	
Benjamin	Thomas Jeffrey	11/12/02	2/3/05	
Brock	William E.	3/3/03	10/31/05	
Budgar	Lawrence George	5/26/00		
Chin	Curtis	5/1/03		
Claes	Michael	7/21/88		
Cortes	Rose Mary	5/25/04		
DiBartolo	Christine Marie	5/13/02		
Dorval	Christopher	10/5/01		
Garsault	Christine	5/25/04		
Hamana	Harold	5/25/04		
Harmon	Keith Eugene	5/1/03		
Judice	Peter F.	8/25/00		
Kazmier	Danielle	6/23/03		
Kozakos	Panayiota	10/5/01		
McCabe	Ian	10/23/01		
Miller	Freeman	8/25/00		
Mintz	Richard Ian	1/14/99		
Moore	Richard	1/17/90	3/7/05	
Mullaney	Kelley Rodane	11/12/02		
Murfin	Cecilia	5/25/04		

Short Form List For Registrant: Burson-Marsteller

Last Name	First Name and Other Names	Registration Date	Termination Date	Role
Newton	Naomi	5/25/04		
Nolton	Jill Sloup	11/12/02		
Olguin	Adhemir	5/25/04		
Patzke	Kerry M.	5/13/02		
Polo	Juan F.	3/1/04	11/30/04	
Rice	Theresa	3/1/04		
Rietz	Kenneth Charles	11/12/02		
Riley	Padraic D.	5/13/02		
Shainman	Lawrence	11/12/02		
Swanson	Melissa Anne	5/1/03	3/9/05	
Trahan	Scott	4/12/96		
Veith	Craig G.	9/20/01		
Yeung	Sandy	5/1/03	6/27/03	

Attachment

4. (a) Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period? YES

If yes, furnish the following information:

Name	Position or Connection	Date Terminated
Chris Komisarjevski	President and CEO – Worldwide	Dec-04 -05

(b) Have any persons become partners, officers, directors or similar officials during this 6 month reporting period? YES

If yes, furnish the following information:

Burson-Marsteller – Executive Board

Harold Burson – Founding Chairman (New York)

* **Tom Nides – President and CEO, Worldwide (New York) joined Nov-04**

Carlos Lareau – Chief Operating Officer, Worldwide (Madrid)

Ken Rietz – Vice Chairman, Worldwide and CEO U.S. (Washington, DC)

John Maltese – Chief Financial Officer, Worldwide (New York)

Celia Berk – Managing Director, Human Resources, Worldwide (New York)

Fred Hawrysh – Director, Global Client Service, Worldwide (New York)

Per Heggenes – President and CEO United Kingdom, Co-CEO Europe (London)

Heidi Sinclair – CEO Continental Europe, Co-CEO Europe (Madrid)

Bill Rylance – President and CEO, Asia Pacific (Hong Kong)

Santiago Hinojosa – President and CEO, Latin America (Miami)

Leslie Gaines-Ross – Chief Knowledge and Research Officer (New York)

Pat Ford – Chair, Global Corporate Practice (New York)

Richard Mintz – Chair, Global Public Affairs Practice/ Director of Global New Business Development (Washington, DC)

Jennifer Graham – Chair, Global Technology Practice (San Francisco)

Ame Wadler – Chair, Global Healthcare Practice (New York)

* = New Member

Attachment

5. (b) Have any employees or individuals, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period? YES

If yes, furnish the following information:

Name	Position or Connection	Date Terminated
Beatriz, Arana	Senior Associate	24-Jun-05
Todd Owren Benjamin	Manager	03-Feb-05
Thomas Jeffrey Benjamin	Managing Director	03-Feb-05
William E. Brock	Consultant	31-Oct-04
Richard Moore	Managing Director	07-Mar-05
Juan F. Polo	Managing Director	30-Nov-04
Melissa Swanson	Manager	08-Mar-05
Sandy Yeung	Client Executive	27-Jun-03

Attachment

5. (c) During this 6 month reporting period, has the registrant hired as employees or in any other capacity, any persons who rendered or will render services to the registrant directly in furtherance of the interests of any foreign principal(s) in other than a clerical or secretarial, or in a related or similar capacity? YES

If yes, furnish the following information:

Name	Residence Address	Citizenship	Position	Date Assumed
Keren Blankfeld	503 Carelton Rd. Apt. 410 Westfield, NJ 07090	USA	Client Executive	Sep-04
Heather Clisby	3810 Sacramento, #102 San Francisco, CA 94118	USA	Associate	May-04
Sarah Handza	4977 Battery Lane, #812 Bethesda, MD	USA	Associate	May-04
Veronica Herrera	3250 W. Trade Ave, #8 Miami, FL 33133	Venezuelan	Manager	Nov-04
Sarah Shelden	1595 Greenwich, #26 San Francisco, CA 94123	USA	Manager	Mar-05
Neil Grace	1600 S. Eads Street, Apt 804N Arlington, VA 22202	USA	Associate	Nov-04
Mary Lasher	33 Qusisona Drive Kenfield, CA 94904	USA	Director	Jul-04

Attachment

6. Have short form registration statements been filed by all of the persons named in Items 5(a) and 5(c) of the supplemental statement? No

If no, list names of persons who have not filed the required statement.

Note: Short Form Registrations for each of these persons are attached with this submission.

Keren Blankfeld
Heather Clisby
Sarah Handza
Veronica Herrera
Mary Lasher
Sarah Sheldon
Neil Grace
Mary Lasher

Attachment

**11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 7, 8, 9 of this statement?
YES**

If yes, identify each such foreign principal and describe in full detail your activities and services:

Forest Products Association of Canada

No Activities

Government of the Republic of the Philippines

B-M supported media relations activities, primarily organizing a media briefing and providing senior media counsel to the clients around that briefing. The briefing details:

News Outlet / Attendees	Subject of Group Briefing
23-Nov-04	
Associated Press TV	LOS ANGELES: APEC, Economic Outlook & Financial Reforms (President Arroyo was the spokesperson)
Reuters	
The Economist	
16-Apr-05	
Associated Press	WASHINGTON: Economic briefing during IMF-WB visit (Briefing by Sec. Purisima was cancelled, however outreach was done)
Dow Jones	
Reuters	
21-Apr-05	
Press Release: Philippine Business And Government Leaders Bring Their Outsourcing Story To U.S. [no resulting U.S. coverage]	

Hong Kong Special Administrative Region - Hong Kong Economic and Trade Offices

Activities included development and management of the communications program as detailed in response to #12.

Consejo de Promocion Turistica de mexico S.A. de C.V.

The following services have been provided: media relations, fam trip coordination, speech writing and presentation development, press material development and distribution, web site content, media monitoring, crisis management, industry relations, event planning, and promotional opportunities.

See website www.visitmexicopress.com

Attachment

12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity⁵ as defined below? YES

If yes, describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates and places of delivery, names of speakers and subject matter.

⁵ The term "political activities" means any activity that the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

Forest Products Association of Canada

No political activity.

Government of the Republic of the Philippines

No political activity.

Hong Kong Special Administrative Region - Hong Kong Economic and Trade Offices

1. Provide strategic counsel to the ETOs on the development and management of Hong Kong's communications program and activities in the U.S.
2. Facilitate communication with the U.S. corporate/financial leaders, media and academic institutions for Hong Kong Government officials
3. Support the ETOs continuing media relations activities, particularly the following areas:
 - (a) generating positive stories (such as successful case histories);
 - (b) analyzing news media coverage of relevant developments;
 - (c) issues management and crisis communications;
 - (d) building on the existing ETO media database;
 - (e) recommending and qualifying journalists to visit Hong Kong as part of the sponsored visitor program;
 - (f) identifying and cultivating media contacts;
 - (g) providing access to the media for appropriate Hong Kong spokespersons by arranging interviews, backgrounders and editorial meetings;
 - (h) responding swiftly to inaccurate or unfavorable coverage as appropriate, through interviews, "letters to the editor" and/or op-eds;
 - (i) on a strategic basis, relating the media relations program to the schedule of Hong Kong-related events and visits to maximize its effectiveness.
4. Assist the ETOs in developing and qualifying "high value" national and regional speaking opportunities for ETO spokespersons and visiting dignitaries.

Attachment

5. Provide counsel and support to the ETOs in the development of communications support program for “personal diplomacy” visits (state duty visits) to selected markets. This may include assisting the ETOs in developing:

- (a) op-eds, speeches;
- (b) media interviews for the ETO spokespersons;
- (c) speaking opportunities.

6. Support the ETOs in positioning Hong Kong as a strategic partner that the U.S. could engage in exploring the fast opening up Mainland market with China’s accession to the World Trade Organization.

7 Assist the ETOs in enhancing presentations for use throughout the program activities.

8. Present creative ideas for special projects in order to focus recognition and positive attention on Hong Kong, and be prepared to support the execution of these projects subject to budgetary availability.

Consejo de Promocion Turistica de mexico S.A. de C.V.

No political activity

ATTACHMENT

14 (a). Receipts - Monies

During this 6 month reporting period, have you received from any foreign principal named in Items 7, 8 and 9 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise? YES.

Consejo de Promocion Tuistica de mexico S.A. de C.V.

<u>Date</u>	<u>From Whom</u>	<u>Purpose</u>	<u>Amount</u>
1/21/2005	Consejo de Promocion Tuistica de mexico S.A. de C.V.	Fees and Expenses	\$ 87,500.00
2/10/2005	Consejo de Promocion Tuistica de mexico S.A. de C.V.	Fees and Expenses	162,861.69
3/30/2005	Consejo de Promocion Tuistica de mexico S.A. de C.V.	Fees and Expenses	45,361.76
2/24/2005	Consejo de Promocion Tuistica de mexico S.A. de C.V.	Fees and Expenses	87,500.00
12/1/2004	Consejo de Promocion Tuistica de mexico S.A. de C.V.	Fees and Expenses	9,213.92
11/29/2004	Consejo de Promocion Tuistica de mexico S.A. de C.V.	Fees and Expenses	115,521.90
5/4/2005	Consejo de Promocion Tuistica de mexico S.A. de C.V.	Fees and Expenses	119,400.42
4/7/2005	Consejo de Promocion Tuistica de mexico S.A. de C.V.	Fees and Expenses	120,745.96
			<u>\$ 748,105.65</u>

ATTACHMENT

14 (a). Receipts - Monies

During this 6 month reporting period, have you received from any foreign principal named in Items 7, 8 and 9 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise? YES.

Forest Products Association of Canada

<u>Date</u>	<u>From Whom</u>	<u>Purpose</u>	<u>Amount</u>
21-Mar-05	Forest Products Association of Canada	Fees and Expenses	\$ 2,500.00
			<u>\$ 2,500.00</u>

ATTACHMENT

14 (a). Receipts - Monies

During this 6 month reporting period, have you received from any foreign principal named in Items 7, 8 and 9 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise? YES.

Hong Kong Economic Trade Office

<u>Date</u>	<u>From Whom</u>	<u>Purpose</u>	<u>Amount</u>
11/17/2004	Hong Kong Economic Trade Office	Fees and Expenses	\$ 20,833.33
12/20/2004	Hong Kong Economic Trade Office	Fees and Expenses	\$ 20,833.33
1/3/2005	Hong Kong Economic Trade Office	Fees and Expenses	\$ 20,833.33
2/7/2005	Hong Kong Economic Trade Office	Fees and Expenses	\$ 20,833.33
3/7/2005	Hong Kong Economic Trade Office	Fees and Expenses	\$ 20,833.33
3/18/2005	Hong Kong Economic Trade Office	Fees and Expenses	\$ 45,781.14
4/5/2005	Hong Kong Economic Trade Office	Fees and Expenses	\$ 20,833.33
4/5/2005	Hong Kong Economic Trade Office	Fees and Expenses	\$ 20,833.41
			<hr/> <hr/> \$ 191,614.53

ATTACHMENT

14 (a). Receipts - Monies

During this 6 month reporting period, have you received from any foreign principal named in Items 7, 8 and 9 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise? YES.

Republic of the Phillipines

<u>Date</u>	<u>From Whom</u>	<u>Purpose</u>	<u>Amount</u>
12/29/2004	Republic of the Phillipines	Fees and Expenses	\$ 24,736.17
1/4/2005	Republic of the Phillipines	Fees and Expenses	95,125.67
			<u>\$ 119,861.84</u>

ATTACHMENT

15 (a). Disbursements - Monies

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 7, 8, and 9 of this statement? YES

(2) transmitted monies to any such foreign principal? NO

Consejo de Promocion Tuistica de Mexico S.A. de C.V. (Mexico Tourism Promotion Board)

Postings for the Period: (11/01/04 - 4/30/05)

OFFICE EXPENSES:

AIR FREIGHT	\$	1,604.93
AIRFARE/RAILFARE		33,522.29
AUDIO EDITING/RECORDING		385.20
ARTWORK USAGE FEE		850.00
BUSINESS MEALS		186.30
CATERING		1,951.26
CLIPPING SERVICE		427.94
CONSULTATION FEES		110,705.40
COURRIER/MESSENGER		525.22
EQUIPMENT RENTAL		3,018.48
ENTERTAINMENT		49.12
EVENTS ELEMENTS		4,600.00
FILMS/TAPES/DUBS & PROCESSING		1,762.29
LOCAL TRANSPORTATION		1,617.86
LODGING		2,737.00
MEALS		1,669.92
MEDIA MONITORING		12,997.38
MEDIA PLACEMENTS		3,570.00
MISCELLANEOUS		2,137.38
PHOTOCOPIES		4,081.80
PHOTOGRAPHY/PRINTS		445.98
POSTAGE & SHIPPING		1.20
PRESENTATION MATERIALS		193.19
PRINTING		1,190.27
PRODUCTION		1,025.94
PROFESSIONAL SERVICES		5,319.99
REFERENCE MATERIAL		1,711.12
REGISTRATION FEES		305.00
REPRINTS		3,735.10
SUSCRIPTIONS		2,667.50
STATIONARY AND SUPPLIES		174.22
TALENT		970.00
TELEPHONE		3,506.95
TRAVEL EXPENSES		3,372.06
VIDEOTAPE PRODUCTION		27,119.80
WIRE MEDIA SERVICES		3,300.00
	\$	<u>243,438.09</u>

ATTACHMENT

15 (a). Disbursements - Monies

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 7, 8, and 9 of this statement? YES

(2) transmitted monies to any such foreign principal? NO

Forest Products Association of Canada

Postings for the Period: (11/01/04 - 4/30/05)

OFFICE EXPENSES:

\$ -

\$ -

ATTACHMENT

15 (a). Disbursements - Monies

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 7, 8, and 9 of this statement? YES

(2) transmitted monies to any such foreign principal? NO

Hong Kong Economic Trade Office (ETO)

Postings for the Period: (11/01/04 - 04/30/05)

OFFICE EXPENSES:

Air Freight	\$	12.39
Airfare/Railfare		463.32
Business Meals		45.50
Catering		107.65
Courier/Messenger		44.12
Entertainmen5		600.00
Info Bank Searches		297.95
Local Transportation		869.90
Lodging		1,157.55
Meals		73.38
Media Placement		38,913.00
Overtime Meals		8.25
Photocopies		189.90
Registration		405.00
Subscriptions		661.50
Tax		7.02
Telephone		18.00
Telephone/Fax		38.74
Videotape Production		122.00
	\$	<u>44,035.17</u>

ATTACHMENT

15 (a). Disbursements - Monies

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 7, 8, and 9 of this statement? YES

(2) transmitted monies to any such foreign principal? NO

Republic of the Phillipines

Postings for the Period: (11/01/04 - 4/30/05)

OFFICE EXPENSES:

Air Freight	\$	6.45
Airfare/Railfare		3,571.00
Business Meals		2,029.82
Local Transportation		141.99
Lodging		3,799.00
Meals		5.64
Miscellaneous		7.00
Photocopies		3,165.40
Registration Fees		305.00
Training & Meetings		1,210.09
	\$	<u>14,241.39</u>

Attachment

22. Did you file with the Registration Unit, U.S. Department of Justice a copy of each item of such informational materials disseminated or caused to be disseminated during this 6 month reporting period?

Informational materials attached.

Also, see website for Mexico Tourism: www.visitmexicopress.com

2005 JUN 30 AM 11:00
CRM/ISS/REGISTRATION UNIT

HONG KONG'S MESSAGE TO NEW YORK BUSINESSES:
LOOK EAST FOR OPPORTUNITY
By Jacqueline Ann Willis

The Manhattan Chamber of Commerce plays an important role in helping local companies explore the possibility of doing business overseas. With the elections over in the United States, I sense that people are once again turning their attention to business and economic growth, so I am pleased to have a chance to explain where I think Hong Kong fits into that equation.

The similarities between Hong Kong and New York City are quite obvious. Both are vibrant, high energy, world-class centers of business and finance. Indeed, most New York business executives would feel right at home amid Hong Kong's skyscrapers and entrepreneurs.

Unlike many American cities and states, New York has already focused considerable attention on Asia. Both mainland China and Hong Kong are among your top ten customers. China has been described by one economic report as a "bright star" among your trade partners, buying \$1.4 billion worth of Made in New York goods last year. Hong Kong is only slightly behind that, purchasing New York exports worth \$1.37 billion in 2003.

But to realize the full potential of doing business with Hong Kong, we hope companies will seek a deeper relationship than merely selling products. In looking east, companies from New York City and across the state are discovering the benefits of establishing operations in Hong Kong itself. Indeed, there are encouraging signs of a growing relationship as more and more New York City businesses take advantage of Hong Kong's central status as "Asia's world city."

Some of those businesses are household names synonymous with New York City, prominent financial services companies, investment banks, clothing manufacturers and makers of consumer products. At least two Chairmen and CEOs of New York companies – American International Group (AIG) and Goldman Sachs Group – serve on the Council of International Advisers to Hong Kong Chief Executive Tung Chee Hwa. In this capacity, they meet with the Chief Executive to discuss issues important to the long-term development of Hong Kong and its business community.

But Hong Kong also welcomes small and mid-sized firms looking for entrée into Asia. We offer high quality professional services that are important to smaller companies as they begin doing business in a region different from their own. For example, Hong Kong has the legal, accounting and management consultants to help small and mid-size U.S. companies understand the laws and other intricacies of the Asia-Pacific market. Many of those consultants specialize in helping companies get started in China. We also feature a professional services industry able to provide smaller firms with day-to-day administrative and logistical support. And, like New York City, we are renowned for

November 16, 2004

hosting international trade shows and conventions that bring potential buyers and sellers together in an exciting, productive atmosphere.

Since July 1, 1997, Hong Kong has been a Special Administrative Region of the People's Republic of China under the "one country, two systems" concept. In a word, Hong Kong enjoys a high degree of autonomy, except in the areas of defense and foreign policy. Hong Kong's distinctive lifestyle, our free market economy and common law-based legal system are all preserved.

Under the landmark Closer Economic Partnership Arrangement (CEPA) – a free trade agreement between mainland China and Hong Kong – Hong Kong products and companies enjoy preferential access to mainland China well before others do. American companies can take advantage of CEPA by setting up in Hong Kong or partnering with or investing in Hong Kong companies.

This special relationship with mainland China, along with its proximity to China's 1.3 billion consumers, clearly puts Hong Kong – itself home to some 6.8 million people – in a unique position to help companies gain a bigger foothold in the Asia-Pacific region.

Hong Kong's commercial and legal environment is decidedly pro-business. The Heritage Foundation has ranked our economy the freest in the world 10 years in a row. As host to multi-national firms or small enterprises, Hong Kong offers strong financial institutions, low taxes, intellectual property rights protection, a talented support service industry, a premier transportation and logistics hub, and a world-class airport within five hours flying time of half the world's population.

By continuing to look to Asia, New York companies of all sizes will see Hong Kong as a natural partner in economic opportunity. Within the New York minute and the Hong Kong heartbeat a world of opportunities present themselves.

Miss Willis is the Hong Kong Commissioner for Economic and Trade Affairs in the United States. She is the senior-most representative of the Hong Kong Special Administrative Region in the United States.

[Courtesy English Translation: 4 July 2003]

**MAINLAND/HONG KONG
CLOSER ECONOMIC PARTNERSHIP ARRANGEMENT
("CEPA")**

Preamble

To promote the joint economic prosperity and development of the Mainland¹ and the Hong Kong Special Administrative Region (hereinafter "the two sides"), to facilitate the further development of economic links between the two sides and other countries and regions, the two sides decided to sign the Mainland/Hong Kong Closer Economic Partnership Arrangement (hereinafter called "CEPA").

**CHAPTER 1
GENERAL PRINCIPLES**

Article 1

Objectives

To strengthen trade and investment cooperation between the Mainland and the Hong Kong Special Administrative Region (hereinafter called "Hong Kong") and promote joint development of the two sides, through the implementation of the following measures :

1. progressively reduce or eliminate tariffs and non-tariff barrier on substantially all the trade in goods between the two sides;
2. progressively achieve liberalization of trade in

¹ In "CEPA", the "Mainland" refers to the entire customs territory of China.

2005 JUN 30 AM 11: 00
CRM/ISS/REGISTRATION UNIT

- services through reduction or elimination of substantially all discriminatory measures;
3. promote trade and investment facilitation.

Article 2

Principles

The conclusion, implementation and amendment of "CEPA" will adhere to the following principles :

1. to abide by the "one country, two systems²" principle;
2. to be consistent with the rules of the World Trade Organisation (hereinafter called the "WTO");
3. to accord with the needs of both sides to adjust and upgrade their economic regime;
4. to achieve mutual benefits, complementarity and joint prosperity;
5. to take progressive action, dealing with the easier issues first.

Article 3

Inception and Development

1. From 1 January 2004, the two sides will implement the specific commitments in liberalization of trade in goods and services under "CEPA".
2. The two sides will broaden and enrich the content of "CEPA" through continuous and further liberalization between them.

² "systems" has replaced "system".

Article 4

Non-application of Specific Provisions in China's WTO Accession Documents

The two sides recognise that through over 20 years of reform and liberalisation, the market economy system of the Mainland has been continuously improving, and the mode of production and operation of Mainland enterprises is in line with the requirements of a market economy. The two sides agree that Articles 15 and 16 of the "Protocol on the Accession of the People's Republic of China to the WTO" and paragraph 242 of the "Report of the Working Party on the Accession of China" will not be applicable to trade between the Mainland and Hong Kong.

CHAPTER 2 TRADE IN GOODS

Article 5

Tariffs

1. Hong Kong will continue to apply zero tariff to all imported goods of Mainland origin.
2. From 1 January 2004, the Mainland will apply zero tariff to the import of those goods of Hong Kong origin as set out in Schedule 1 of Annex 1.
3. Not later than 1 January 2006, the Mainland will apply zero tariff to the import of goods of Hong Kong origin that are outside Schedule 1 of Annex 1. Detailed implementation procedures are set out in Annex 1.
4. Any new goods benefiting from elimination of import

tariffs in accordance with paragraph 3 of this Article will³ be inserted into Annex 1.

Article 6

Tariff Rate Quota and Non-tariff Measures

1. Either⁴ side will not apply any non-tariff measure that is inconsistent with WTO rules to goods imported and originated from the other side.
2. The Mainland will not apply tariff rate quota against goods of Hong Kong origin.

Article 7

Anti-dumping Measures

The two sides undertake that either⁵ side will not apply anti-dumping measures to goods imported and originated from the other side.

Article 8

Subsidies and Countervailing Measures

The two sides reiterate that they will abide by the WTO “Agreement on Subsidies and Countervailing Measures” and Article XVI of “the General Agreement on Trade and Tariffs 1994”, and undertake not to apply countervailing measures to goods imported and originated from each other.

³ “will” has replaced “shall”.

⁴ “Either” has replaced “One”.

⁵ “either” has replaced “one”.

Article 9
Safeguards

If because of the implementation of “CEPA”, the import of products in Annex 1 from one side to the other increases in such quantities as to cause or threaten to cause serious injury to like or directly competitive products to the domestic industry of⁶ the other side, the affected side may after written notification temporarily suspend concessions in respect of those⁷ goods of⁸ the other side, and will, at the request of the other side, promptly commence consultations under Article 19 of “CEPA” so that an agreement may be reached.

CHAPTER 3
ORIGIN

Article 10
Rules of Origin

1. The rules of origin applicable under “CEPA” relating to preferential measures of trade in goods are set out in Annex 2.

2. To ensure the implementation of the preferential measures in respect of trade in goods, the two sides decide to strengthen and extend the content and scope of mutual assistance in administration, including the establishment and strict implementation of the procedures for issuing certificates of origin, the establishment of auditing and regulatory systems, the development of a computer link and electronic data interchange between the issuing and regulatory authorities of both sides. Details are set out in Annex 3.

⁶ “of” has replaced “to”.

⁷ “those” has replaced “these”.

⁸ “of” has replaced “to”.

CHAPTER 4

TRADE IN SERVICES

Article 11

Market Access

1. Either side will⁹ progressively reduce or eliminate existing restrictive measures against services and service suppliers of the other side in accordance with the content and timetable set out in Annex 4.

2. At the request of either¹⁰ side, the two sides may through consultation pursue further liberalization of trade in services.

3. Any new measures on liberalization of trade in services implemented pursuant to paragraph 2 of this Article will¹¹ be inserted into Annex 4.

Article 12

Service Suppliers

1. The definition and related provisions on "service suppliers" under "CEPA" are set out in Annex 5.

2. A service supplier of another WTO Member that is a juridical person constituted under the laws of one side will be entitled to treatment granted by the other side¹² under the¹³ "CEPA", provided that it engages in substantive business operations as stipulated in Annex 5¹⁴ in the area of the former¹⁵

⁹ "Either side will" has replaced "One side shall".

¹⁰ "either" has replaced "one".

¹¹ "will" has replaced "shall".

¹² "by the other side" has been added.

¹³ "the" has been added.

¹⁴ "as stipulated in Annex 5" has been added.

¹⁵ "the former" has replaced "that".

side.

Article 13

Financial Services Cooperation

The two sides will¹⁶ adopt the following measures to further strengthen cooperation in the areas of banking, securities and insurance :

1. The Mainland supports state-owned commercial banks and certain shareholding commercial banks in re-locating their international treasury and foreign exchange trading centres to Hong Kong.
2. The Mainland supports Mainland banks in developing network and business activities in Hong Kong through acquisition.
3. The Mainland supports the full utilization of financial intermediaries in Hong Kong during the process of reform, restructuring and development of the financial sector in the Mainland.
4. The two sides will strengthen cooperation and information sharing between their financial regulators.
5. The Mainland will, following the principles of observing market discipline and enhancing regulatory efficiency, support eligible Mainland insurance companies and other companies, including private enterprises, in listing in Hong Kong.

Article 14

¹⁶ "will" has replaced "shall".

Cooperation on Tourism

1. In order to further promote the development of the tourism industry of Hong Kong, the Mainland will allow residents in Guangdong Province to visit Hong Kong individually. This measure will be implemented on a trial basis first in Dongguan, Zhongshan and Jiangmen and it will be extended to the entire Guangdong Province not later than 1 July 2004.
2. The two sides will strengthen cooperation on tourism promotion, including promotion of tourism between each other and development of external promotion programmes centered around the Pearl River Delta.
3. The two sides will cooperate to raise the service standards of their tourism industries and protect the lawful rights of tourists.

Article 15

Mutual Recognition of Professional Qualifications

1. The two sides will encourage mutual recognition of professional qualifications and promote the exchange of professional talents between each other.
2. Competent authorities and professional bodies of both sides will in consultation with each other consider and design specific methodologies for mutual recognition of professional qualifications.

CHAPTER 5 TRADE AND INVESTMENT FACILITATION

Article 16

Measures

The two sides will pursue trade and investment facilitation through greater transparency, standards conformance and enhanced information exchange.

Article 17

Areas of Cooperation

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

1. trade and investment promotion;
2. customs clearance;
3. quarantine and inspection of commodities, food safety and quality assurance;
4. electronic commerce;
5. transparency in law and regulations;
6. small and medium-sized enterprises;¹⁷
7. Chinese medicine and medical products.

2. Details on the cooperation in the areas listed in paragraph 1 of this Article are set out in Annex 6.

3. At the request of either¹⁸ side, the two sides may expand the scope and content of trade and investment facilitation through consultation.

4. Any new scope or content concluded under paragraph 3 of this Article will¹⁹ be inserted into Annex 6.

CHAPTER 6

¹⁷ “and” after “;” has been deleted.

¹⁸ “either” has replaced “one”.

¹⁹ “will” has replaced “shall”.

OTHER PROVISIONS

Article 18

Exceptions

“CEPA” and the provisions in its Annexes will not affect the Mainland or Hong Kong's ability to maintain or adopt exception measures consistent with the rules of the WTO.

Article 19

Institutional Arrangements

1. The two sides will set up a Joint Steering Committee (hereinafter called "Steering Committee"). The Steering Committee will comprise senior representatives or officials designated by the two sides.
2. Liaison Offices will be set up under the Steering Committee. Working groups may be set up as the need arises. Liaison offices will be set up in the Ministry of Commerce of the Central People's Government and the Commerce, Industry and Technology Bureau of the Hong Kong Special Administrative Region Government.
3. The functions of the Steering Committee include :
 - (1) supervising the implementation of “CEPA”;
 - (2) interpreting the provisions of the “CEPA”;
 - (3) resolving disputes that may arise during the implementation of “CEPA”;
 - (4) drafting additions and amendments to the content of “CEPA”;
 - (5) providing steer on the work of the working groups;
 - (6) dealing with any other business relating to the

implementation of “CEPA”.

4. The Steering Committee will meet at least once a year , and may convene special meetings within 30 days upon request by either side.

5. The two sides will consult to resolve any problems arising from the interpretation or implementation of “CEPA” in the spirit of friendship and cooperation. The Steering Committee will²⁰ make its decisions by consensus.

Article 20

Miscellaneous

1. Except as otherwise provided in “CEPA”, any action taken under it will not affect or nullify the rights and obligations of either²¹ side under other existing agreements to which it is a party.

2. The two sides will endeavour to refrain from increasing restrictive measures that would affect the implementation of “CEPA”.

Article 21

Annexes

The Annexes to “CEPA” form an integral part of “CEPA”.

Article 22

Amendments

The provisions of “CEPA” or its Annexes may be

²⁰ “will” has replaced “shall”.

²¹ “either” has replaced “one”.

amended in writing when the need arises. Any amendment will come into effect²² after it has been signed by the duly authorised representatives of the two sides.

Article 23
Coming Into Effect

CEPA will come into effect²³ on the day of signature by the representatives of the two sides.

Signed in duplicate at Hong Kong, this 29th day of June²⁴, 2003
in the Chinese language.

Vice Minister of Commerce
People's Republic of China

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

(signature)

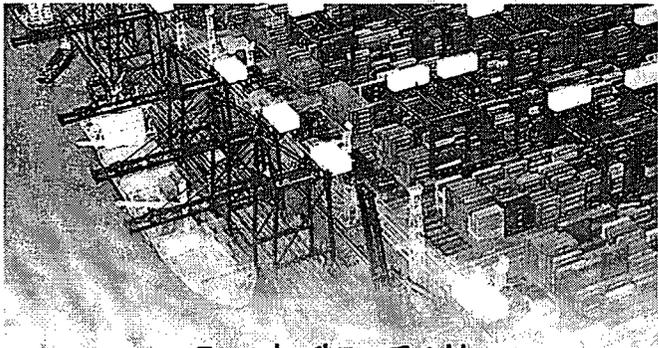
(signature)

[Note: Amendments made to the previous version of the courtesy English translation and reflected in this latest version are essentially editorial, the signed Chinese text which is authentic has not been amended in any way. Footnote number 1 is a note of the CEPA text; other footnotes are to explain the amendments made to the courtesy English translation and hence only appear in this English version.]

²² “effect” has replaced “force”.

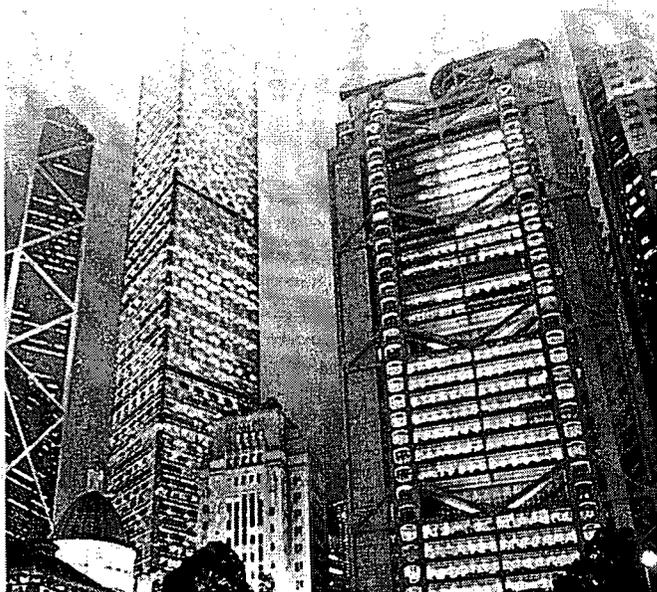
²³ “effect” has replaced “force”.

²⁴ Filling in the date of signature.



內地與香港 關於建立 更緊密經貿關係 的安排

Mainland and Hong Kong Closer Economic Partnership Arrangement



Background

The Government of the Hong Kong Special Administrative Region (HKSAR) and the Central People's Government (CPG) reached agreement on the main parts of the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) on 29 June 2003, and signed the CEPA on the same day.

In December 2001, the Chief Executive obtained the CPG's agreement in principle to his proposal of establishing a form of free trade area between the Mainland and the HKSAR. Consultations began in January 2002. The two sides held a series of high level and senior official meetings between January 2002 and June 2003.

The HKSAR Government conducted a consultation exercise in February and March 2002 to seek public views. It also conducted discreet consultations with various practitioners and professional bodies in the manufacturing and services sectors, and took into account the views expressed in the discussions with the Mainland.

Summary of CEPA

The CEPA covers three broad areas, namely trade in goods, trade in services, and trade and investment facilitation.

Trade in Goods

Import Tariffs

The Mainland agrees to apply zero import tariff from 1 January 2004 for exports from Hong Kong meeting the rules of origin requirement in some 270 Mainland product codes, including –

- electrical and electronics products
- plastic articles
- paper articles
- textiles and clothing
- chemical products
- pharmaceutical products
- clocks and watches

- jewellery
- cosmetics
- metal products

The Mainland also agrees to apply zero import tariff latest by 1 January 2006 upon applications by local manufacturers for other product codes maintained on China's tariff system and meeting the CEPA rules of origin. The HKSAR agrees to bind its existing zero import tariff regime with respect to all goods of Mainland origin and not to impose restrictive regulations on trade in these goods.

Rules of Origin

The two sides agree to discuss the origin rules applicable to those product codes covered in the initial phase, with a view to reaching an agreement before end 2003 so that these products can enjoy zero tariff from 1 January 2004. For the remaining products, we aim to agree on their origin rules early, having regard to the submission of applications by local manufacturers. The two sides also agree to discuss cooperation to prevent illegal circumvention of the agreed origin rules.

Other Trade Measures

The two sides agree not to take anti-dumping, countervailing and certain specific safeguard measures against goods of Mainland or Hong Kong origin. At the same time, the Mainland agrees not to apply tariff rate quotas against goods of Hong Kong origin.

Trade in Services

The CEPA provides for liberalisation in market access in 17 sectors, namely –

- management consulting services
- convention services
- advertising services
- accounting services
- construction and real estate services
- medical and dental services
- distribution services
- logistics services
- freight forwarding agency services

- storage and warehousing services
- transport services
- tourism services
- audiovisual services
- legal services
- banking services
- securities services
- insurance services

Broadly speaking, the liberalisation permits earlier access to Hong Kong companies and services providers to the Mainland market, ahead of China's WTO timetable. In some sectors like construction and real estate services, logistics services, transport services, distribution services, legal services, and audiovisual services, the concessions extend beyond China's WTO commitments. Unless positively exceeded by the concessions stipulated in the CEPA, China's WTO commitments, including both concessions and limitations, for each individual services sector continue to apply.

Similar to trade in goods, the HKSAR agrees to bind our existing services regime for, and undertake not to introduce new discriminatory measures against, services and services suppliers of the Mainland for those sectors covered in the CEPA. This, again, is more than what we have committed to the WTO, but is in line with our free trade and open market policy.

Definition of "Hong Kong companies"

To be eligible for enjoying the benefits offered by the Mainland under the CEPA, a company must have "substantive business operations" in the HKSAR as assessed on the basis of the following criteria:

- the company must be incorporated under the laws of the HKSAR;
- the company must pay profits tax in the HKSAR (or be exempted by law from paying such tax);
- the length of the company's substantive business operations in the HKSAR;
- the size and nature of business activity of the company's office in the HKSAR; and
- the proportion of the company's staff force employed in the HKSAR.

The two sides agree to adopt a "sectoral" approach to take into account the unique characteristics of each individual service sector.

Trade and Investment Facilitation

Both sides agree on promoting co-operation in the following seven areas –

- customs clearance
- quarantine and inspection, quality assurance and food safety
- small and medium-sized enterprises
- Chinese medicine and medical products
- electronic commerce
- trade and investment promotion
- transparency in laws and regulations

Further Liberalisation

The two sides agree to pursue further liberalisation of services trade between the Mainland and Hong Kong through consultation under the CEPA.

Economic Benefits of CEPA

In terms of economic benefits, the CEPA has good potential to open up many new business opportunities in the Mainland for Hong Kong. The zero import tariff preference may attract to Hong Kong manufacturing of brand name products, or manufacturing process with high value-added content or substantial intellectual property input. The WTO-plus market liberalisation measures for trade in services would give companies in Hong Kong a "first mover" advantage. Obviously, it is up to the businessmen from Hong Kong and elsewhere in the world to decide whether and how they would like to leverage on the CEPA to gain greater access into the Mainland market. This will determine the scale of CEPA-induced business activities and the direct and indirect economic spin-offs for Hong Kong. At this point in time, it is difficult to quantify, with reasoned assumptions, the effects of these potential new opportunities.

Way Forward

The two sides will continue discussions with a view to finalising and announcing the details of implementation (such as the preferential rules of origin for goods) as soon as possible. The HKSAR Government will continue to consult relevant trade and advisory bodies to prepare for the next phase of CEPA discussions with the Mainland.

We shall of course spare no effort in encouraging the business sector in Hong Kong to make full use of the openings under the CEPA. We shall include the business opportunities secured under the CEPA in attracting more foreign investment to Hong Kong. We shall also discuss with the concerned sectors on appropriate policy measures that may be required to enable them to gain the greatest benefits from the CEPA.

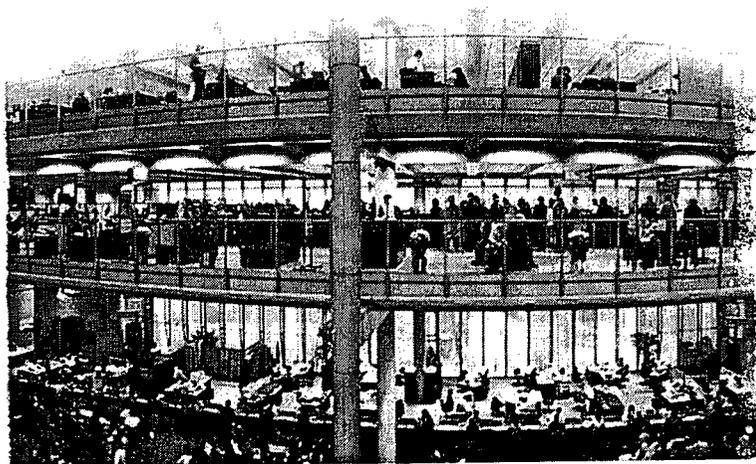
Enquiries

For a copy of the full text and other details on CEPA, please visit the following web site: www.tid.gov.hk/english/cepa/

For enquiries, please contact Miss Alice Li of Trade and Industry Department by telephone on (852) 2398 5667 or by fax on (852) 2396 8060.

Commerce, Industry and Technology Bureau
HKSAR Government

Designed by the Information Services Department
Printed by the Government Logistics Department
July 2003



HONG KONG'S MESSAGE TO SMALL AND MID-SIZE ATLANTA BUSINESSES:
LOOK EAST FOR OPPORTUNITY

By Jacqueline Ann Willis

[OPTIONAL IF PLACED AFTER VISIT: I recently visited Atlanta to talk with the Hong Kong Association and other business leaders about creating closer ties between your city and Hong Kong. My visit reminded me what a vibrant and charming city Atlanta is.] Much like Hong Kong, Atlanta has a well-deserved reputation as a place where business thrives in an atmosphere of energy, efficiency and civility.

A number of Atlanta-based companies, large and small, are discovering the benefits of looking East towards Asia for economic opportunities. And there are encouraging signs of a growing relationship with Hong Kong as more and more Atlanta businesses take advantage of Hong Kong's central status as "Asia's world city."

Some of those businesses are household names synonymous with Atlanta itself: Coca-Cola, Home Depot, Georgia Pacific, UPS. But a growing number of small and mid-sized companies are also seeing the benefits of expanding their presence in Hong Kong. Atlanta-based AJC Foods is a good example, having established operations in Hong Kong about ten years ago and now expanding from that base into the Chinese market.

We are especially proud to offer the professional services that are so important to smaller companies as they begin doing business in a region different from their own. Hong Kong offers a range of legal, accounting and management consultants to help small and mid-size U.S. companies understand the laws and other intricacies of the Asia-Pacific market. Many of those consultants specialize in helping companies get started in China. We feature a professional services industry able to provide smaller firms with day-to-day administrative and logistical support. And we are world renowned for hosting international trade shows and conventions that bring potential buyers and sellers together in an exciting, productive atmosphere.

On July 1, 1997, Hong Kong became a Special Administrative Region of the People's Republic of China. Under the "one country, two systems" concept, Hong Kong enjoys a high degree of autonomy in economic, trade, financial and monetary affairs. Hong Kong's distinct common law legal system and lifestyle have all been maintained.

Under the landmark Closer Economic Partnership Arrangement (CEPA) – a free trade agreement between mainland China and Hong Kong – Hong Kong products and Hong Kong companies will enjoy preferential access to mainland China well before others do. American companies can take advantage of CEPA by setting up in Hong Kong or partnering with or investing in Hong Kong companies.

This special relationship with mainland China, along with its proximity to China's 1.3 billion consumers, clearly puts Hong Kong – itself home to some 6.8 million people – in a unique position to help Atlanta companies gain a bigger foothold in the Asia-Pacific region.

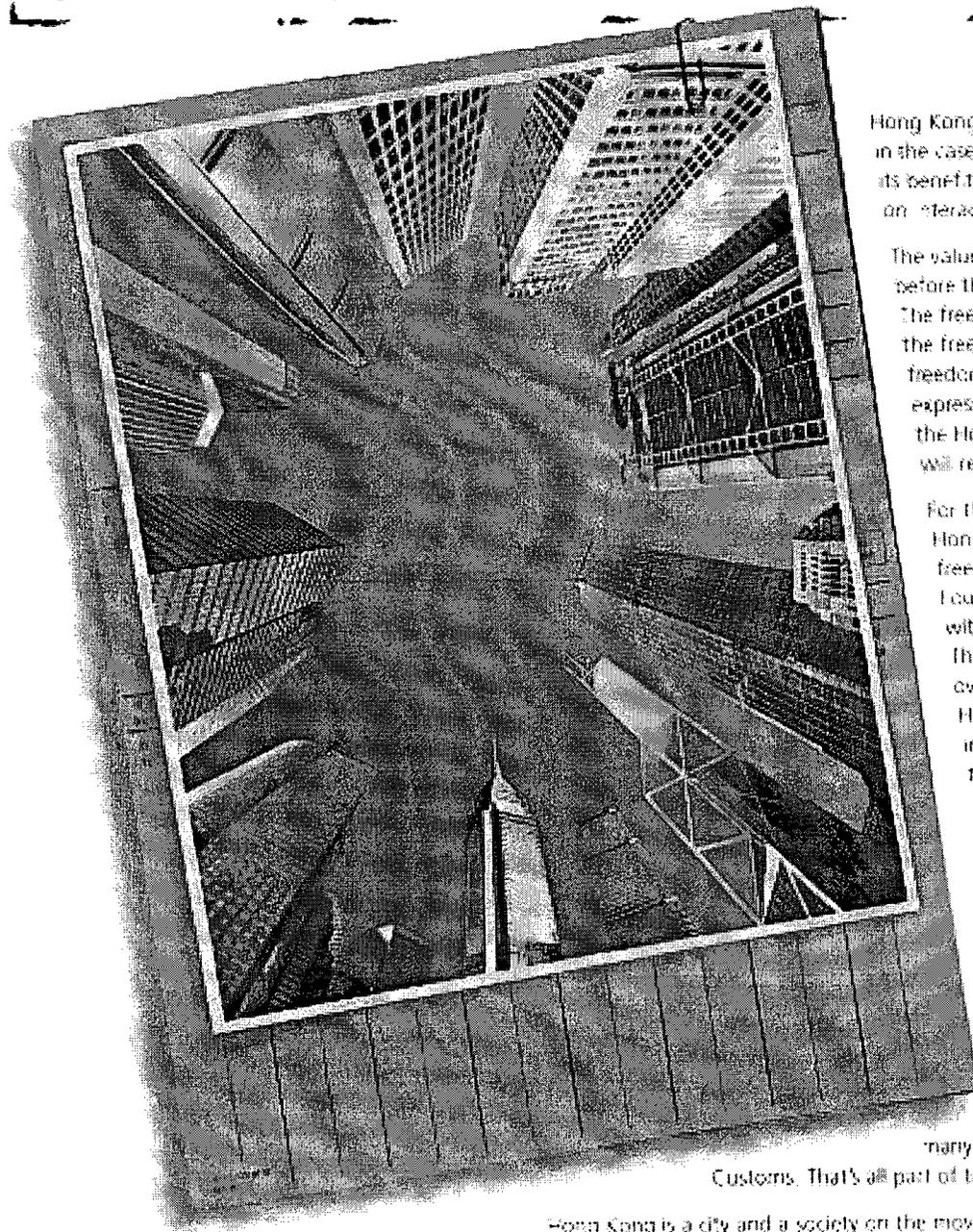
Hong Kong's commercial and legal environment is decidedly pro-business. The Heritage Foundation, a noted think tank, has ranked our economy the freest in the world 10 years in a row. As host to multi-national firms or small enterprises, Hong Kong offers strong financial institutions, low taxes, intellectual property rights protection, a talented support service industry, a premier transportation and logistics hub, and a world-class airport within five hours flying time of half the world's population.

Atlanta shares many of these qualities as well, serving as a hub for commerce in the Southeastern United States and even -- like Beijing will be in 2008 -- as an Olympic city. Indeed, many Atlanta businesspeople would feel right at home amid Hong Kong's skyscrapers and entrepreneurs.

The similarities between Atlanta and Hong Kong are remarkable. Each offers proximity, knowledge and resources to companies seeking a regional advantage. By looking East towards Asia, Atlanta companies of all sizes will see Hong Kong as a natural partner in economic opportunity.

Miss Willis is the Hong Kong Commissioner for Economic and Trade Affairs in the United States. She is the senior-most representative of the Hong Kong Special Administrative Region in the United States.

EXHIBIT 'A'



If you want to know more about the world's freest economy, please contact the Hong Kong Economic and Trade Office in Washington D.C. at (202) 331 8947, e-mail hketo@hketowashington.gov.hk, or visit the website www.hongkong.org

Hong Kong has been described as "Exhibit 'A'" in the case for global interdependence and its benefits. It's true. Hong Kong has thrived on interaction with the global village.

The values of freedom, fairness and equality before the law underpin our development. The free flow of capital and information, the free movement of goods and people, freedom of religion, association and expression – all are an integral part of the Hong Kong success story. And they will remain so.

For the past 11 consecutive years, Hong Kong has been rated the world's freest economy by The Heritage Foundation – a distinction we accept with pride, but not complacency. Thousands of companies – including over 1,200 from the US – have made Hong Kong their corporate home in Asia. We'll work hard to keep it that way.

As the world's most open and externally oriented economy, we take our international obligations seriously. As host of the next WTO Ministerial Meeting, we'll be striving to ink a deal on free and fair trade for all. In the fight against organized crime and terrorism, we maintain a close working relationship with law enforcement agencies in

many countries, including the FBI and US Customs. That's all part of the deal in a globalized world.

Hong Kong is a city and a society on the move. Always has been, always will be. We have a market of 100 million within a two-hour catchment. That's not enough, we're actively working with provincial governments in the Mainland to develop a South China common market of 450 million people. That's as big as NAFTA, ASEAN, or the EU25 – all in one country. How's that for opportunity, potential, growth?

That's Hong Kong – Asia's world city. Or should we say Exhibit 'A'?

Asia's world city

HONG KONG



HONG KONG'S MESSAGE TO SOUTH FLORIDA BUSINESS:
DON'T JUST LOOK SOUTH, LOOK EAST, TOO!

By Jacqueline Ann Willis

This weekend, South Florida celebrates its version of one of China's oldest traditions – the Dragon Boat Festival. The Brickell Key event will include boat races where teamwork, enthusiasm and strategy are essential to crews competing to cross the finish line first.

In a broader sense, this competitive spirit has helped make South Florida a vibrant community and important economic hub. Building on natural geographic, cultural and language ties, South Florida has tended to “look South” to form trading partnerships with Latin America and the Caribbean. Florida is the No. 1 trading partner of all countries in the region, except Mexico, and more than 93 percent of Florida companies that send their exports South are small and mid-sized firms.

But, Florida's businesses would be wise to also “look East.”

The Dragon Boat Festival reminds us South Florida is a place of great diversity, which carries the potential to create new business opportunities outside the region. Although Hong Kong isn't the top-ranked destination for Florida exports, there are encouraging signs of a growing relationship as more and more Florida businesses take advantage of Hong Kong's central status as “Asia's world city.”

Florida companies already export more than \$220 million worth of products to Hong Kong annually. And recent Florida trade missions to Hong Kong have sown the seeds for even more business.

On July 1, 1997, Hong Kong became a Special Administrative Region of the People's Republic of China under the “one country, two systems” concept. This change gave Beijing responsibility for Hong Kong's defense and foreign policy, but maintains Hong Kong's distinct western-based economic and legal systems.

This special relationship with mainland China, along with its proximity to China's 1.3 billion consumers, clearly puts Hong Kong – itself home to some 6.8 million people – in a unique position to help Florida businesses gain a bigger foothold in the Asia-Pacific region. Many are there already. Citrix, a South Florida maker of IT networking equipment, has a growing operation in Hong Kong. So does Miami's Perry Ellis, the well-known fashion designer, and Applica, the South Florida company that makes Black and Decker tools and Sunbeam appliances.

South Florida and Hong Kong have much in common. Both communities enjoy an international mind-set; educated and skilled populace; strategic location; world-class communications, transportation, and financial services; and a balanced outlook toward work and play. Indeed, many Florida businesspeople would feel right at home amid Hong Kong's skyscrapers and entrepreneurs.

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Hong Kong's commercial and legal environment is decidedly pro-business. The Heritage Foundation, a noted think tank, has ranked our economy the freest in the world 10 years in a row. As host to multi-national firms or small enterprises, Hong Kong offers strong financial institutions, low taxes, intellectual property rights protection, a talented support service industry, a premier transportation and logistics hub, and a world-class airport within five hours flying time of half the world's population.

But it is also important to recognize how these resources can help Florida companies do business with mainland China, an exciting business opportunity made even more appealing by the approach of the Beijing Olympic Games of 2008.

Under the landmark Closer Economic Partnership Arrangement – a free trade agreement between mainland China and Hong Kong – Hong Kong will enjoy preferential access to mainland China well before others do. As such, American companies can take advantage of CEPA by setting up in Hong Kong or partnering with or investing in Hong Kong companies.

Overall, I find striking similarities between South Florida and Hong Kong. Each offers proximity, knowledge and resources to companies seeking a regional advantage. Now the challenge – in the spirit of the Dragon Boats – is to make sure Florida businesses are not left behind in the wake of others who, while still looking South for opportunity, have decided to look East as well.

Miss Willis is the Hong Kong Commissioner for Economic and Trade Affairs in the United States. She is the senior-most representative of the Hong Kong Special Administrative Region in the United States.