What's in an FTA? - Market access opportunities in Australia's North Asian FTAs

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What's in an FTA?

What FTAs do

FTAs are legal agreements between governments that address or change laws and regulations in foreign markets. The changes or commitments in the agreements are 'binding.'

They may create opportunities for business to trade into foreign markets more easily.

FTAs don't tell companies how to export or import successfully. They don't permit completely 'free' access to foreign (or the Australian) market- it is usually conditional, partial or phased in over time.

What 'good' FTAs do

'New 'FTAs cover services and investment. They regulate a broad range of economic activity.

'Good' FTAs do more than open markets. They create commercial opportunities for business in foreign markets 'beyond the border' (they address matters such as licensing, data housing restrictions, employee nationality rules, and capital requirements). They can serve as a catalyst for reform of services and investment in other economies.

The benefits vary by agreement, depending on the terms of what is agreed.

What's in it for me?

Why FTAs matter for Australian financial services

Financial services are traded and invested

Financial services are economically important to Australia. The industry is a major exporter. Australia depends on foreign funding to support capital investment. Financial integration with the Asian Pacific region underpins economic growth.[1] See Box 1 below.

[1] See note 1.

Box 1 – Financial services matter to Australia

Financial services is the largest single industrial segment of the Australian economy, contributing about 9 per cent of gross value added. Financial services are a major employer across all states, and the largest single source of corporate taxation revenue.[2]

The total value of financial services exports annually, including sales by Australian- owned affiliates or subsidiaries overseas, is in the order of A$55 billion (2013). This is equivalent to about 17 per cent of all exports of goods and services, larger than tourism exports and more than double the value of education exports.[3]

Foreign funding supports capital investment in Australia. This includes the ability to enter into financial transactions easily and dependably across geographic borders. At home, Australian firms rely on global capital markets to raise capital and manage financial risks. Australian investors need access to overseas markets to enable diversification of portfolios.

North Asian markets are important

Markets in Asia account for 80 per cent of all insurance and pension services exports and for 28 per cent of other financial services exports. China and Hong Kong SAR are the largest purchasers of Australian financial services exports, followed by Japan.[4]

Growth agendas and policy reforms in these markets create opportunities for business. It is estimated that China could account for up to 19 per cent of Australia's financial and insurance services export market by 2026, and generate a 27 per cent boost in employment in the sector — or more than 111,000 jobs.[5]

There is widening appreciation of importance of services liberalisation in Korea and Japan.

But trade with Asia lags other markets

Asian markets account for less than one third of Australia's cross-border financial relationships. Trade and investment in financial services is heavily oriented toward the United States, the United Kingdom and New Zealand.

Financial markets in most Asian economies are less developed than Australia. Asian markets are also less financially integrated, both intra-regionally and with the rest of the world.

And barriers are high

Major economies of Asia have highly restrictive regulatory and legal regimes in both commercial banking and insurance compared to OECD nations, including Australia. Barriers to trade and cross-border investment can inhibit Australian firms and investors from accessing markets and growing their connections with the region.

[2] *Financial Integration in the Asia Pacific – Fact and Fiction*, FINSIA and ACFS, June 2015 accessed at http://australiancentre.com.au/wp-content/uploads/2016/04/ACFS-Financial-Integration-website-version.pdf

[3] See note 1 above.

[4] This accounts for exports on a cross border basis only, not including sales of Australian affiliates offshore.

[5] The Long Boom: What China's Rebalancing means for Australia's Future, Monash Business School's Australian Centre for Financial Studies (ACFS), 2016, accessed at http://australiancentre.com.au/publication/long-boom-chinas-rebalancing-means-australias-future/

What FTAs can do for business

There are 3 key things FTAs do to help business trade and invest in North Asia:

i. Improve access for services suppliers and investors;
ii. Reduce 'beyond the border' regulatory constraints;
iii. Promote greater regulatory integration.

What do FTAs do?

i. Improve access for services suppliers and investors	• Improve the terms on which Australians can supply services to or invest in the foreign market (remove or reduce barriers), or at least allow them to operate on a more level playing field. • Liberalisation is delivered through agreement to treat foreign providers on equivalent terms to domestic providers (national treatment, or 'non discrimination') and commitments to open the market for certain services. • Market access granted is limited by restrictions each party maintains, in most cases 'reserved' by each party in Annexes.
ii. Reduce 'beyond the border' regulatory constraints	• Ease the burdens for business that arise from opaque and discretionary regulatory requirements through measures designed to promote transparency in regulations and to streamline licensing processes. • Allow business to transfer financial data between countries.
iii. Promote greater regulatory integration	• Permit mobility of professionals between economies, albeit to differing degrees • Create institutional frameworks to facilitate recognition of regulatory requirements and professional qualifications

Our North Asian FTAs

Australia's FTAs with Korea, Japan and China

Korea Australia Free Trade Agreement (KAFTA)

KAFTA is one of our most comprehensive FTAs. It applies to banking, insurance, funds management and other financial services. It covers services, investment, data processing, temporary movement, etc. KAFTA is modelled on the Australia/United States Free Trade Agreement (AUSFTA) and the (now failed) Trans Pacific Partnership Agreement (TPP). It entered into force in December 2014.

Japan Australia Economic Partnership Agreement (JAEPA)

JAEPA is the most comprehensive and significant bilateral agreement Japan has negotiated to date. JAEPA delivers improvements in access for Australian financial services equivalent to or better than that Japan's previous FTAs.[6] It adopts a similar content and structure to KAFTA. It began in January 2015.

[6] JAEPA improves access for Australia to Japan compared to that previously applicable under Japan's commitments in the WTO General Agreement on Trade in Services (GATS). Japan also has bilateral FTAs with Mexico; Switzerland; Chile; India;

China Australia Free Trade Agreement (ChAFTA)

ChAFTA is China's first comprehensive agreement with developed economy and the first covering trade in services. It became operational in December 2015. ChAFTA provides Australian financial services providers with substantial access to the China market (second only to China's agreements with Hong Kong and Macau). For the moment, competitors from other developed financial markets such as the United States, Europe or Japan cannot match this access. ChAFTA adopts a different structure to KAFTA and JEAPA in how it delivers services liberalisation.[7]

New market opportunities

FTAs offer new market opportunities for business

Australian firms can deliver more services to Korea, Japan and China

Access for Australian financial institutions supplying services to Korea, Japan and China is expanded under the FTAs. Australian institutions (located in Australia) can deliver more services to these markets without the need to establish a commercial presence there – termed 'cross border trade.'

KAFTA

Australian institutions can now provide the following services to Korean institutions and nationals:

- investment advice and portfolio management services to collective investment schemes in Korea;
- insurance services including reinsurance and retrocession; auxiliary services such as consultancy, risk assessment, actuarial, claim settlement and insurance intermediation (brokerage and agency). Applies only to auxiliary and intermediation services in Korea delivered by nationals, not institutions
- advisory and auxiliary services to a wide range of services (credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy but not intermediation)

Korean nationals may purchase these financial services from suppliers in Australia.

JAEPA

JAEPA gives Australian providers a general right to deliver services to Japan on the same terms as Japanese nationals. For example a result of JAEPA, Australian financial and banking institutions may:

- Engage in securities-related transactions with financial institutions and other entities in Japan

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The Philippines; Singapore; Malaysia; Indonesia; Brunei; Thailand; Viet Nam, as well as a regional agreement with ASEAN countries.

[7] A 'positive list approach essentially means the services which are opened and any conditions on that market opening are listed in schedules to the agreement. The WTO General Agreement on Trade in Services adopts this approach.

- Provide certain services to collective investment schemes in Japan; including investment advice and portfolio management services;
- Supply insurance of certain risks, reinsurance, retrocession and services auxiliary to insurance, such as brokerage and agency in Japan.

Access for these services is guaranteed. Japan has committed not to make access more restricted in future. There are some exceptions and conditions for other financial services.

CHAFTA

CHAFTA accords significantly enhanced opportunities for Australian fund managers, securities and insurance providers:

- Australian (non life) insurance providers may now engage in China's statutory third-party liability motor vehicle insurance market, without form of establishment or equity restrictions;

- Australian financial institutions, including superannuation funds, may invest RMB in China's onshore securities markets. Only four countries in Asia and twelve countries worldwide enjoy this right;

- Australian securities brokerage and advisory firms may provide cross-border securities trading accounts, custody, advice and portfolio management services to Chinese Qualified Domestic Institutional Investors (QDII): (i.e. Chinese investors allowed to invest offshore); (includes securities trading advice; portfolio management; custody for overseas assets of QDII);

- Alongside the FTA, Australia has been granted an initial aggregate quota of RMB 50 billion for access into the RMB Qualified Foreign Institutional Investor (RQFII) program. This program will allow Australian domiciled institutions, including fund managers, to purchase equities and bonds directly from China's mainland securities exchanges in Shanghai and Shenzhen.

Information and data can be transferred between countries

Australian institutions may provide and transfer financial information, and financial data processing and supply financial services software in and out of Korea.

JAEPA contains the same right for transfer of information and data to Japan for financial data processing and advisory and other auxiliary services.

CHAFTA grants freedom of transfer and processing of financial information and data necessary for the conduct of ordinary business.

Australian institutions can deliver 'new' financial services in Korea and Japan

Korea will allow Australian firms to provide 'new financial services' it would otherwise permit its own financial institutions to provide. This is subject to restrictions on legal form of supply of service, and applicable authorisation requirements.

This right is unqualified in JAEPA - the supply of new services in Japan by Australian financial institutions is permitted on a non-discriminatory basis without limitation.

There are no similar rights in ChAFTA.

Institutions can establish and operate more freely in Korea, Japan and China

KAFTA

Australian financial service providers may establish or acquire institutions in Korea on terms equivalent to Korean investors (subject to some exceptions). Eg: Australian accounting service providers may now establish representative offices in Korea for the provision of international services.

They may choose whether to establish as a branch or subsidiary or whether or not to locate processing and administrative functions in Korea, their head office or overseas affiliates. Offices and affiliates have the right to perform certain functions, including trade and transaction processing, confirmation and statement production; technology related functions such as data processing; administrative and human resource services; accounting functions and legal functions.

JAEPA

General controls on establishment and operation are prohibited (restrictions on the number, type or value of services, type of legal entity required). This applies to services supplied through branches and representative offices as well as subsidiaries in Japan.

Australian institutions, and their subsidiaries, branches and representative offices are *generally* free to operate in the market on the same terms as Japanese providers – free from limits on the participation of foreign capital and able to transfer payments and capital freely.

CHAFTA

Equity ownership restrictions on Australian providers have been loosened as a result of CHAFTA:

- Australian securities firms may hold 49 percent foreign equity (up from 33 percent) in joint ventures to conduct domestic securities investment fund management business in China;
- Australian financial institutions may establish joint venture futures companies with a maximum 49% Australian ownership. Foreign ownership was not previously permitted.

There are better terms for banks operating in China:

- Australian banks no longer need to set up a representative office in China in order to set up operational foreign-funded banks (such as branches or subsidiaries);

- Australian bank subsidiaries may engage in credit asset securitisation business under China's *Financial Institution Credit Asset Securitisation Pilot Program* (a first for foreign banks);

- CHAFTA removes the working capital requirements for Australian bank subsidiaries in China (of RMB100 million);

- The waiting period before an Australian bank can engage in local currency (RMB) services, is reduced from 3 years to 1 year;

- The 2 year profit making requirement, previously a precondition to the provision of banking services is removed.

And improved treatment for other Australian financial services firms operating in China:

- Better terms for insurance company branches - internal branching is permitted for Australian insurance firms of Australia which have established in China;

- Australian financial institutions may undertake approved securitisation business in China on the same terms as Chinese institutions;

- Accounting firms can engage in taxation and management consulting services, with no requirement on form of establishment (but subject to licensing).

Investors can protect and enforce their investments abroad

Investments in Korea and in Australia receive standards of protection (eg: from expropriation). Private investors can enforce these rights through international arbitration under the investor state dispute settlement mechanism (ISDS).

Australian investors and investments in Japan are accorded similar protections under JAEPA, though there is no ISDS available for enforcement. Australia and Japan have agreed to consider its inclusion in future.

CHAFTA requires China to treat *existing* investments by Australian investors on equal terms to domestic investments. This obligation can be enforced under ISDS.

Agreements will support greater foreign investment in Australia

Direct investment opportunities from Korean, Japanese and Chinese institutions in Australia will also become more attractive with a quadrupling of the Foreign Investment Review Board's screening threshold for investments in non-sensitive sectors. The threshold for private investors is raised from A$252 million to A$1,094 million for Korea, Japan and China.[8] This is equivalent to treatment given to the US and New Zealand under previous trade agreements.

[8] The FIRB will also continue to screen all direct investments, new business proposals and acquisitions of interests in land (including agricultural land), by Chinese state-owned enterprises, regardless of transaction size. ChAFTA does not change these arrangements in any way, consistent with the Government's practice in other FTAs.

The Australian industry will benefit from future liberalisation efforts

Inclusion of MFN provision in KAFTA means that Australia will receive the benefit of any future liberalisation commitments Korea makes in subsequent FTAs. A 'ratchet mechanism' prevents parties from imposing more restrictive measures in future. A mandatory review of the functioning of the agreement (through the Financial Services Committee, annually) also helps to build on liberalisation outcomes over time.

JAEPA similarly includes MFN and mandates a review of commitments through Sub-Committees to build on market opening.

China has limited MFN in financial services to securities services in ChAFTA - future benefits conferred to other countries will flow automatically to the Australian securities sector - but accords MFN to investments.

There is a built in program for future negotiations on investment in ChAFTA. Australia and China recently agreed to commence a review of services and investment commitments. A Declaration of Intent was signed in March 2017.

Better business 'beyond the border'

FTAs can make it easier to operate in Korea, Japan and China

All FTAs provide for more streamlined licensing procedures and more transparent regulatory decision making in financial services. They include provisions designed to improve the transparency of financial services licensing processes. For example, KAFTA and CHAFTA require regulatory authorities in either party to take decisions on licensing applications within a specified time period (120/180 days).

KAFTA is our only FTA (other than TPP) which recognises the importance of the performance of back office functions of financial institutions and commits parties to avoid imposing controls which unnecessarily impede these.

Greater regulatory integration

FTAs promote greater integration of financial services markets

Personnel, skills and expertise can be transferred between markets

All FTAs improve the terms in which services professionals are able to travel to and work in the other market.

KAFTA

- Suppliers of accounting and consultancy services, intra corporate transferees (ICTs), traders and investors may work in Korea for periods of up to 3 years.
- Australian accountants who hold CPA or CA qualifications are able to provide accountancy consultancy services relating to Australian or international tax or

accounting law through offices in Korea, and by December 2019 can work and invest in Korean tax or accounting operations.

JAEPA

- Grants entry for business persons for 1 - 3 years, extendable, for ICTs, investors, persons engaging in professional services (including accounting, auditing, taxation).
- Visa limits on the mobility of certain categories of professional workers are lifted, though some professionals (accountants and tax specialists) are still required to be qualified under the laws of Japan.

ChAFTA

- Grants entry for ICTs for up to 3 years (including executives, managers and specialists) and contractual service suppliers, in certain sectors, entry of 1 year, or longer.
- China will issue licences to Australian accountants who have passed the Chinese national CPA examination on the same terms as Chinese accountant, and will take decisions within 30 days following submission of applications.

Licensing controls and procedures may become less onerous

All FTAs create institutional frameworks to facilitate recognition of regulatory requirements and professional qualifications. For example,

- KAFTA encourages Korean and Australian governments to recognise prudential measures and qualifications of professional services providers.

The FTAs can also serve as a platform to bring regulators from each side to the table to discuss issues of interest to industry. Relevant Working Groups support this process. For example:

- The Australian Securities and Investments Commission (ASIC) and the China Securities Regulatory Commission (CSRC) have agreed to strengthen cooperation and improve mutual understanding of Australia's and China's respective regulatory frameworks.
- Alongside CHAFTA, (pursuant to a Memorandum of Understanding - MOU) in 2014 the ASX launched a renminbi settlement service, enabling Australian companies to take or make payments in Chinese currency in near real time, reducing their risk and cost of doing business.

These developments serve as important enablers of increased integration between Australia and China.

But barriers remain

Korea

Korea may still regulate access to and sale and marketing of these services in each other's territory. Discretion is retained by both parties to require licensing and registration/

authorisation of financial service suppliers and financial instruments. [9] Prudential controls are carved out of the agreement.

Other controls 'reserved' by Korea limit the scope of services that can be delivered (particularly insurance) and the degree of foreign investment permitted (notably in banking).

Japan

Like KAFTA, access under JAEPA is subject to prudential regulation. Japan may impose limitations on the legal form of commercial presence, and restrictions on admission to the market of new financial services. The agreement does not prevent Japan from requiring the registration or authorization of Australian financial service suppliers to deliver services in, or to, the Japanese market. Japan also retains a right to introduce new measures in future to make trade more restricted for a wide range of financial services.[10]

China

China maintains several controls under CHAFTA. Market opening does not apply to all services. Limitations on the type of commercial presence can still apply although higher foreign equity is granted. It is most complete for the delivery of services in the Shanghai Free Trade zone. Prudential controls remain.

The degree of market opening is viewed in the context of China's domestic policy to open its service sector. China has taken steps to shift its economic policy away from central and regional planning towards greater capitalism. CHAFTA broadly coincides with a series of efforts to liberalise China's financial services sector and internationalise the RMB.

Securing opportunities

How large are the benefits?

The 'benefits' of FTAs are difficult to measure. Gains from services trade are 'dynamic' and are not easily measured by economic models, which greatly understate the benefits.

Market opening in FTAs can also be valuable to support broader policy initiatives in financial services in the Asia Pacific region (eg: Asia Region Funds Passport).

More competitive and open services markets in the region will offer opportunities for Australian businesses in the longer term. Growth in Asia should act as an enabler of further financial integration. China looms as one of the biggest potential future jurisdictions for financial integration, from both a trade in services and a flow of funds perspective.

Will I benefit? It's up to you.

Governments may negotiate commitments for trade access, but it is businesses that trade and invest.

The opportunities afforded by our FTAs can form part of a broader business strategy. The full realisation of the potential growth of services trade and investment into any market

[9] *Financial Services and Capital Markets Act 2009*
[10] Except for cross border commitments for trade in wholesale securities transactions, wholesale investment advice and portfolio management services, transfer and processing of financial data as well as some insurance services and services auxiliary to insurance as noted.

requires a strong business focus, a supportive policy environment in Australia and abroad, and understanding of the cultural aspects involved.

Annex- Market opportunities for Australian business in KAFTA, JAEPA and ChAFTA

KAFTA - Commitments for new market opportunities

'Cross border' financial services	Right to deliver investment advice and portfolio management services; as well as some insurance services to Korea and to Korean nationals
Financial investments	Rights to establish and invest in Korea on equivalent terms to Korean institutions (subject to reservations). Minimum standards of protection for investments. Enforceability through ISDS. Loosening of Australian controls on Korean investments.
Transfer of data and info	Freedom of transfer of electronic information for data processing, payments and transfers to and from Korea (end 2016)
New financial services	Supply on equal terms to Korean providers.
MFN	Yes. Australia receives the benefit of market opening in Korea's future FTAs.
Review	Ratchet mechanism. Mandated review of commitments to build on market opening.

JAEPA- Commitments for new market opportunities

'Cross border' financial services	Engage in securities-related transactions with financial institutions and other entities in Japan. Provide certain services to collective investment schemes in Japan; including investment advice and portfolio management services. Supply insurance of certain risks, reinsurance, retrocession and services auxiliary to insurance, such as brokerage and agency in Japan.
Financial investments	Rights to establish and invest in Korea on equivalent terms to Korean institutions (subject to reservations). Minimum standards of protection for investments. Loosening of Australian controls on Japanese investments. No ISDS.
Transfer of data and info	Freedom of transfer of information and data for financial data processing and advisory and other auxiliary services.
New financial services	Supply on equal terms to Japanese providers, without qualification
MFN	Yes. Australia receives the benefit of market opening in Japan's future FTAs
Review	Mandated review of commitments to build on market opening.

CHAFTA - Commitments for new market opportunities

'Cross border' financial services	Access to China's statutory third-party liability motor vehicle insurance market, without form of establishment or equity restrictions Right to deliver cross-border securities trading accounts, custody, advice and portfolio management services to Chinese QDIIs Ability to invest RMB in China's onshore securities markets.
Financial investments	Removal of working capital requirements for bank subsidiaries Loosening of ownership restrictions: 49% for securities, up from 33%; joint venture futures companies 49%, previously note permitted. Better terms for banks operating in China: subsidiaries may engage in credit asset securitisation business; reduction of the waiting period to engage in local currency (RMB) services; removal of the 2 year profit making requirement. Improved treatment for the establishment of insurance company branches and provision of securitization business.
Transfer of data and info	Freedom of transfer and processing of financial information and data
New financial services	No specific provisions.
MFN	Securities services only.
Review	Yes, including built in program for future negotiations on Investment.

Disciplines to address 'beyond the border' regulatory constraints in KAFTA, JAEPA and ChAFTA

KAFTA - Disciplines on beyond the border constraints

Licensing	Timelines for decision making on investments/ services approvals (120 days). Requirement to make available information for the licensing or certification of professional service suppliers, including accountants.
Transparency	Administer regulations in a reasonable manner; publish regulations in advance; manage enquiries from the other party.
Back office functions	Recognition of importance and the need to avoid arbitrary controls.

JAEPA – Disciplines on beyond the border constraints

Licensing	Commitment to ensure licensing and qualifications requirements and procedures are not overly burdensome and are publicly available. Transparency and timeliness in decision-making for authorization of services is promoted, no mandated timelines
Transparency	General commitment to promote regulatory transparency in financial services

CHAFTA - Disciplines on beyond the border constraints

Licensing	Agreement to process expeditiously all applications by financial institutions for the establishment of subsidiaries, branches and sub-branches (side letter). Provision to negotiate specific commitments matters in future.
Transparency	Yes. General provisions to encourage regulatory transparency. Timelines for decision making on applications for financial service suppliers. (180 days)

Provisions in KAFTA, JAEPA and ChAFTA to promote financial services regulatory integration

KAFTA - Provisions to advance regulatory integration

Temporary entry	Rights for business persons to work in Korea temporarily for periods of between 90 days and 3+ years. Periods of a year granted to suppliers of consultancy services for foreign accounting standards and auditing, training of CPAs, transfer of auditing technology and exchange of information related to accounting, auditing and bookkeeping services; management consulting services. Prohibition on numerical limits for visas of approved categories. Labour market testing may apply.
Recognition	Requirement to give Australia the opportunity to join recognition arrangements Korea has made with other countries for prudential measures, and for professional qualifications of accountants. Agreement to consider the recognition of education, experience, licences or certifications of Australian service suppliers autonomously or by arrangement.
Institutional cooperation	Committee on Financial Services considers financial services issues and cooperation. Working Group on Professional Services considers agreements on professional services, including mutual recognition of standards and criteria and temporary licensing, within 3 years.

JAEPA – Provisions to advance regulatory integration

Temporary entry	Commitment not to impose limits on the number of visas granted for certain categories of workers. Entry for categories of business person for 1 or 3 years, extendable. Provisions to enhance the transparency of visa requirements, grant applications in a timely manner and simplify requirements to facilitate entry.
Recognition	Recognition of qualifications of services suppliers for the purpose of licensing and certification, through unilateral or bilateral agreements is encouraged Requirement to give Australia the opportunity to join recognition arrangements Japan has made with other countries for recognition of qualifications and application of prudential measures
Institutional cooperation	Sub-Committee on Financial Services meets annually, reviews implementation of commitments and discusses issues related to financial services.

CHAFTA– Provisions to advance regulatory integration

Temporary entry	Guaranteed access to Australian Intra-corporate transferees for up to three years (including executives, managers and specialists); Contractual service suppliers, in certain sectors, one year, or longer under the relevant contract; Installers, Maintainers, Business visitors up to 180 days. Both parties will not apply labour market testing where they have made commitments.
Recognition	Agreement to encourage the recognition of prudential measures, licensing and authorisation criteria and professional qualification requirements and to give the other party opportunity to join agreements negotiated with non parties. Agreement to advance the recognition of OTC derivatives regulation to facilitate cross-border activities (side letter).
Institutional cooperation	Financial Services Committee will provide regular engagement between Chinese and Australian financial regulators. Allows issues of mutual interest to be addressed. ASIC and the CSRC will strengthen cooperation on Australia’s and China’s regulatory frameworks. Australian private equity investments in China are to be encouraged as an area for future cooperation Relevant Australian agencies and China’s State Administration of Foreign Exchange (SAFE) will cooperate and exchange information on regulatory systems and policies and other issues (side letter). Agreement to strengthen future cooperation for greater Australian mid-market size funds investment participation in China and Australia-China Renminbi fund partnerships in China (side letter).

	Agreement to review bilateral taxation arrangements to facilitate trade and investment. Framework for cooperation and coordination between relevant agencies on competition policy.