

HKSAR Government expresses strong disapproval of US's imposition of so-called reciprocal tariff on products of Hong Kong

The Government of the Hong Kong Special Administrative Region (HKSAR) today (April 3) expressed strong disapproval of and discontent with the United States (US)'s imposition of the so-called reciprocal tariff as well as its elimination of the duty-free de minimis treatment for and imposition of duty on covered goods from Hong Kong with effect from May 2.

A spokesman for the HKSAR Government said, "The US's measures are bullying and unreasonable, and grossly inconsistent with the World Trade Organization (WTO) rules, willfully undermining the multilateral trading system which is the cornerstone for international trade. Once again, the HKSAR Government firmly requests the US to withdraw its so-called reciprocal tariff measures."

The spokesman said that Hong Kong, being a free port, supports and upholds free trade all along. Hong Kong has never imposed any tariffs on imported goods including those from the US. The US's imposition of the so-called reciprocal tariff is illogical. As a separate customs territory under the "one country, two systems" principle, Hong Kong has put in place an effective system for import and export, including the origin certification system, trade declaration and manifest requirements, and has taken robust enforcement actions on this basis. The US's allegation about the imposition of the so-called reciprocal tariff on Hong Kong products due to the risk of transshipment and evasion is ungrounded, fully showing that it is a bullying act for suppressing its competitors.

"In 2023, the US was the third largest trading partner of Hong Kong, with the total merchandise trade value amounting to US\$60.3 billion. During the past 10 years, the US has realised a trade surplus of US\$271.5 billion with Hong Kong, the largest among its global trading partners. The US's measures are mere unilateral protectionism that harm the interests of all," the spokesman added.

As for the duty-free de minimis treatment for postal items despatched from Hong Kong to the US, the US has been repeatedly changing its policies unilaterally. Hongkong Post has requested the postal administration of the US to promptly clarify the matter and should not cause inconvenience to the public. From now until May 2, Hongkong Post will temporarily maintain postal services to the US but will not collect any so-called tariffs on behalf of the US authorities.

In sum, the HKSAR Government will continue to closely monitor and assess any unilateral measures of the US that are inconsistent with fair trade and

take actions to defend Hong Kong's legitimate interests, including filing of a complaint in accordance with the WTO dispute settlement mechanism.