

## HKSAR Government formally takes issue with US Government over its new requirement on origin marking

The Hong Kong Special Administrative Region (HKSAR) Government today (September 16) formally took issue with the United States (US) Government over the new requirement announced by US Customs and Border Protection (CBP) on August 11 in respect of the origin marking of Hong Kong products, and requested that the requirement be withdrawn immediately.

This morning, the Secretary for Commerce and Economic Development, Mr Edward Yau, met the Acting US Consul General to Hong Kong and Macau, Mr Paul Horowitz. At the meeting, Mr Yau asked the US Consul General to Hong Kong to deliver his letter to the US Trade Representative, expressing the HKSAR Government's position that it strongly objects to the US' new requirement and requests that the requirement be immediately withdrawn.

On the same day, the Hong Kong Economic and Trade Offices (ETOs) in Washington, DC, and Geneva also forwarded copies of Mr Yau's letter to the Office of the US Trade Representative and the CBP in Washington, DC, and to the Permanent Mission of the US to the World Trade Organization (WTO) in Geneva respectively. The ETOs will also arrange discussions with relevant US authorities.

Mr Yau said, "The US' unilateral and irresponsible attempt to weaken Hong Kong's status as a separate customs territory is highly inappropriate. Such a move also confuses the market and undermines the rules-based multilateral trading system. We will robustly advance our arguments to defend Hong Kong's interests."

He added, "As a responsible WTO member, Hong Kong always abides by WTO rules. The action taken by the HKSAR Government today is in accordance with the spirit and practices of the WTO. It is an important step before taking action against the US under the WTO framework with a view to resolving the matter first at a bilateral level. We will continue to follow up on the matter depending on the US' response. If the US refuses to withdraw the requirement and bilateral discussions fail to reach satisfactory outcomes, the HKSAR Government will take action against the US in accordance with the WTO Dispute Settlement Mechanism to safeguard Hong Kong's interests under WTO rules."

According to the WTO Understanding on Rules and Procedures Governing the Settlement of Disputes, if a member believes that another member has violated WTO rules, the affected party may request consultations with the other party according to the Understanding with a view to resolving the matter. If the parties fail to reach consensus through consultations, the complaining party may request the Dispute Settlement Body to establish a panel to consider the dispute.

Mr Yau reiterated that under "one country, two systems", Hong Kong is an inalienable part of the People's Republic of China, and at the same time the motherland confers through the Basic Law a special status to the HKSAR. Pursuant to Articles 116, 151 and 152 of the Basic Law, the HKSAR is a separate customs territory and may, using the name "Hong Kong, China", participate in international organisations such as the WTO and Asia-Pacific Economic Cooperation as a separate member, and develop mutually beneficial economic and trade relations with economies around the world. The special status of Hong Kong has been widely recognised and respected by the international community, and Hong Kong's economic and trade status is on par with that of other WTO members.