

Investment Promotion and Protection Agreement between Hong Kong and Bahrain to enter into force on March 21

The Investment Promotion and Protection Agreement (IPPA) signed between Hong Kong and Bahrain in March last year will enter into force on March 21, following the completion of the two sides' respective internal procedures required.

Under the IPPA, the two governments undertake to provide investors of the other side with fair, equitable and non-discriminatory treatment of their investments, compensation in the event of expropriation of investments, and the right to free transfers abroad of investments and returns. The IPPA also provides for settlement of investment disputes under internationally accepted rules, including arbitration.

The Secretary for Commerce and Economic Development, Mr Algernon Yau, said, "By enabling investors of Hong Kong and Bahrain to enjoy corresponding protection of their investments in the host economies, the IPPA will enhance confidence of investors, expand investment flows and further strengthen the economic and trade ties between the two places.

"The Government has been actively seeking to expand Hong Kong's global economic and trade networks with a view to assisting enterprises and investors in opening up markets. We are exploring the signing of IPPAs with Saudi Arabia, Bangladesh, Egypt and Peru, as well as exploring IPPAs or free trade agreements with emerging markets including potential partners in the Middle East and other regions along the Belt and Road," he added.

The IPPA with Bahrain is the second of its kind signed by the current-term Government, following the IPPA signed with Türkiye. It is also the 24th investment agreement that Hong Kong has signed with a foreign economy.

The other foreign economies that have signed IPPAs with Hong Kong are the Association of Southeast Asian Nations, Australia, Austria, the Belgo-Luxembourg Economic Union, Canada, Chile, Denmark, Finland, France, Germany, Italy, Japan, Korea, Kuwait, Mexico, the Netherlands, New Zealand, Sweden, Switzerland, Thailand, the United Arab Emirates and the United Kingdom.