

SCED briefs local and foreign political and business communities on Government's work on strengthening connection with ASEAN (with photos)

The Secretary for Commerce and Economic Development, Mr Algernon Yau, today (January 30) gave an update for some 120 representatives of consulates, local and foreign chambers of commerce, professional bodies and the business community on the Government's work on strengthening connection with the Association of Southeast Asian Nations (ASEAN) at the "Connecting Hong Kong and ASEAN" Luncheon co-organised by the Trade and Industry Department and Invest Hong Kong.

Speaking at the luncheon, Mr Yau said that the Government is stepping up partnership with ASEAN, the second largest trading partner of Hong Kong, through, among others, the Free Trade Agreement (FTA) and the Investment Agreement between Hong Kong and ASEAN, which entered into full force three years ago.

He pointed out that the two Agreements have strengthened Hong Kong's relations with ASEAN. Since the signing of the Agreements in 2017, Hong Kong's cumulative investment in ASEAN increased by 32 per cent to US\$73 billion in 2022. On merchandise trade, ASEAN accounted for almost 14 per cent of Hong Kong's total trade with the world in 2022.

"Earlier this month, I signed the First Protocol to Amend the FTA between ASEAN and Hong Kong to update the Product Specific Rules (PSRs) of origin, which enhanced the coverage of the PSRs from some 200 to almost 600 categories of products. Hong Kong traders will be able to gain originating status for products more easily and effectively to enjoy preferential tariff treatment, which in turn would surely further enhance the burgeoning trade relations between Hong Kong and ASEAN," Mr Yau added.

Apart from promoting trade and investment, the Government also spares no effort in enhancing people-to-people exchange and experience sharing through the Economic and Technical Cooperation (ECOTECH) Work Programme under the FTA.

With a contribution of HK\$25 million, the ECOTECH Work Programme encourages activities aiming to exchange information, share best practices and build capacity for regional growth. Twenty-eight projects proposed by ASEAN member states and Hong Kong have been approved so far, covering a wide array of areas including professional services, small and medium enterprises (SMEs) co-operation, trade facilitation, intellectual property and e-commerce co-operation. Thirteen of them have been completed, benefitting more than 4 000 participants.

Mr Yau highlighted Hong Kong's commitment to taking co-operation with ASEAN to the next new level, and called on stakeholders' continued support for Hong Kong's early accession to the Regional Comprehensive Economic Partnership (RCEP), the world's largest and one of the most open and inclusive free trade agreements.

"All RCEP members, including ASEAN, are already Hong Kong's important trading partners, accounting for 71 per cent of Hong Kong's total merchandise trade in 2022 and 46 per cent of our total trade in services in 2021. This is why Hong Kong is well-placed to join and add distinct value to RCEP, through contributing our advantages as a logistics, trading and financial hub towards further optimisation of the regional supply chain," he said.

The ASEAN Secretary-General, Dr Kao Kim Hourn, expressed his welcome to Hong Kong's accession to RCEP in his opening remarks delivered by the Deputy Secretary-General of ASEAN for ASEAN Economic Community, Mr Satvinder Singh, at the luncheon through a video. Noting Hong Kong's unique and significant role in supporting ASEAN's development and prosperity, he said he looked forward to more implementation of practical co-operation in areas of mutual interest in the years to come to further elevate economic and people-to-people relations between ASEAN and Hong Kong.

Also speaking at the luncheon, the Director-General of Trade and Industry, Ms Maggie Wong, expressed appreciation to the professionals and experts in supporting the ECOTECH projects and fostering a closer relationship between Hong Kong and ASEAN.

She also introduced the Government's measures in ensuring that Hong Kong's SMEs are equipped and ready to connect with ASEAN and even RCEP economies. Among others, HK\$657 million has been granted under the Dedicated Fund on Branding, Upgrading and Domestic Sales to assist Hong Kong enterprises in exploring and developing their businesses in the ASEAN market.



