

Speech by SCED at APEC MRT Meeting discussion session on Connectivity through Multilateral Trading System (English only)

Following is the speech by the Secretary for Commerce and Economic Development, Mr Algernon Yau, at the discussion session entitled "Connectivity through Multilateral Trading System" at the Asia-Pacific Economic Cooperation (APEC) Ministers Responsible for Trade Meeting in Jeju, Korea, today (May 15):

Good afternoon, Chair, WTO Director-General (Director-General of the World Trade Organization (WTO), Dr Ngozi Okonjo-Iweala), and colleagues.

The recent upheaval caused by one economy's unilateral tariff measures on all other economies poses a threat to the multilateral trading system, representing an imminent challenge to the global trade landscape today.

We are pleased to note the substantive progress made at the high-level meetings between two economies, where both sides have agreed to significantly reduce their bilateral tariffs and continue discussions in a spirit of openness, continuous communication, co-operation and mutual respect. This development marks a pivotal step towards fostering stability in global trade and reinforces our shared commitment to advancing constructive economic relations within the APEC region and beyond. Continued collaboration under this framework will undoubtedly contribute to inclusive growth and a rules-based multilateral trading system.

Hong Kong, China (HKC), as one of the freest economies in the world, reaffirms our unwavering commitment to free trade principles and the WTO-centred multilateral trading system. We firmly believe that sustainable solutions to trade disputes can only be achieved through constructive dialogue, adherence to internationally agreed rules, and a shared pursuit of equitable outcomes. We call upon all members to unite in defending the open, predictable and inclusive character of global trade.

As the WTO commemorates its 30th anniversary this year, it is deeply disheartening to witness one of its founding members attempting to rip the organisation apart, after years of unilateral action in crippling its dispute settlement function. While reforms are indeed necessary to keep the decades-old organisation relevant amid evolving global challenges, aggressive and erratic trade actions that create economic chaos only serve to escalate tensions and instability.

As a free port, HKC has long championed free trade in the past and remains firmly committed to the rules-based multilateral trading system now and in the future. We remain committed to engaging in constructive dialogues

to enhance the WTO's functionality, resilience and effectiveness. At this critical time, we call on APEC member economies who cherish the multilateral trading system to collaborate closely to uphold and strengthen the system, thereby safeguarding global economic stability.

Looking ahead to the 14th Ministerial Conference (MC14) which is less than a year away, with the rapidly evolving situation, telling what lies ahead until then may seem elusive. Nevertheless, HKC remains hopeful and determined to achieve tangible and positive outcomes at MC14 – many of which are in fact long overdue. Beyond the dispute settlement reform, our priorities include bringing into force the Agreement on Fisheries Subsidies and concluding the second wave of the fisheries subsidies negotiations, both of which are still so near, yet so far. We must strive to finish the unfinished business at MC13 to incorporate the plurilateral Investment Facilitation for Development (IFD) Agreement into the WTO legal architecture. In this regard, we fully support the APEC Statement in support of the WTO Joint Statement Initiative on IFD, championed by Korea, which would send a strong political signal of APEC's commitment to the swift and successful integration of this landmark agreement into the WTO framework.

We also stand by finding a permanent solution to, or at least securing an extension of the WTO e-commerce moratorium, and support the early incorporation of the Agreement on Electronic Commerce into the WTO legal framework, which will provide the much needed clarity and stability for e-commerce business worldwide. We strongly encourage APEC member economies to intensify collaborative efforts to achieve these goals by MC14. Demonstrating concrete progress will assure the global community that the WTO remains vibrant, effective and capable of addressing contemporary trade challenges effectively.

Thank you.