

## Speech by SCED at APEC MRT Meeting discussion session on Living in COVID-19 and beyond (English only)

Following is the speech by the Secretary for Commerce and Economic Development, Mr Edward Yau, at the discussion session entitled "Living in the COVID-19 and beyond" of the Asia-Pacific Economic Cooperation (APEC) Ministers Responsible for Trade (MRT) Meeting in Bangkok, Thailand today (May 22):

Honourable Chair (Deputy Prime Minister and Minister of Commerce of Thailand, Mr Jurin Laksanawisit), fellow Ministers, two years into the COVID-19 pandemic, the global economy is still grappling with lots of uncertainties and challenges. But the fight must go on. We believe that without winning the battle against COVID, we can't bring back economic recovery. In these trying times, international cooperation is more important than ever. As APEC policy makers, taking steps to reconnect the Asia-Pacific region is certainly our common priority.

First, as a champion of free trade, Hong Kong, China strongly believes that free and open trade and investment play a significant role in reconnecting the region as we seek to lift our economy out of the gloom. During our discussion with ABAC (APEC Business Advisory Council) yesterday, it is recognised that deepening regional economic integration is the foundation for a resilient and prosperous future. With Hong Kong, China's firm commitment to forging high-quality and comprehensive free trade agreements, we commend a swift and successful implementation of RCEP (Regional Comprehensive Economic Partnership) that brings 15 Asia-Pacific economies closer to each other, and indeed they step forward in bringing closer to our common goal of establishing the Free Trade Area of Asia-Pacific. With that mission in mind, Hong Kong, China is also keen and ready to join RCEP to contribute our part.

The pandemic further highlights the urgent need for collaborative efforts to address the supply chain chokepoints and build up resilience against future shocks. Hong Kong, China welcomes the Annex to the MRT Statement which establishes a common definition of logistics-related services to facilitate rules-making in this important services trade category. We also look forward to accelerating the implementation of the WTO Trade Facilitation Agreement (TFA) and other voluntary trade facilitating measures that go beyond the realms of the TFA.

Second, we should harness the full potentials of digital technology to reconnect the region in all dimensions. Specifically, we need to further leverage digital technology to reduce trade costs, facilitate investment and resume cross-boundary travel. Digitalisation is instrumental to long-term growth and a full-fledged economic recovery.

On the multilateral front, Hong Kong, China would like to stress again the utmost importance of extending, if not making permanent, the WTO moratorium on customs duties on electronic transmissions, to provide a predictable e-commerce environment. As to cross-border travel, APEC launched work on safe passage this year, and we are glad to see a handful of innovative proposals supported by digital technology on the table. Hong Kong, China stands ready to support APEC's good efforts in this regard. Domestically, we will also set up a Digital Economy Development Committee to accelerate the progress of digital economy.

Third, we should not lose sight of our responsibility to care for our planet. The pandemic reminds us that we need to take care of both human health as well as our planet's health. In addition to the 2012 APEC List of Environmental Goods, time is ripe for us to consider incremental steps forward to address new and emerging environmental goods, and further the discussions around environmental services. APEC has always been a pioneer in stimulating trade collaboration to pursue sustainability objectives, and should continue to serve as an incubator of ideas to give impetus to the rules-based negotiations on the WTO front.

Undoubtedly, the pandemic has dealt a heavy blow to us all, but there is a silver lining. As we try to walk out of the pandemic, we will become hopefully more open, connected and balanced, just as our dear host Thailand suggests in the theme of this APEC year, bringing about a better, healthier and safer environment for us and future generations.

Thank you.