

# Speech by SCED at APEC MRT Meeting discussion session on Prosperity through Sustainable Trade (English only)

Following is the speech by the Secretary for Commerce and Economic Development, Mr Algernon Yau, at the discussion session entitled "Prosperity through Sustainable Trade" at the Asia-Pacific Economic Cooperation (APEC) Ministers Responsible for Trade Meeting in Jeju, Korea, today (May 16):

Thank you, Chair, and good morning, colleagues.

Supply chains are the driving engines for today's global economy, yet they are also highly sensitive and vulnerable to external shocks, as we have witnessed during COVID-19 and in recent days.

Hong Kong, China (HKC), as an international shipping and logistics hub, has been implementing various measures to support sustainable supply chains. Our Climate Action Plan 2050 steers four major decarbonisation strategies, namely, net-zero electricity generation, energy saving and green buildings, green transport and waste reduction. Increasing the zero-carbon energy supply through renewable energy development, popularising the use of electric commercial vehicles, enhancing the current cross-border electricity transmission infrastructure and developing a green maritime fuel bunkering centre are just a few examples of our efforts on this front. Furthermore, to assist the trade in seizing the business opportunities in green logistics, we have also commenced a study on the development of green and sustainable logistics.

In December 2024, we launched the roadmap on sustainability disclosure in HKC, as a pathway for large publicly accountable entities to fully adopt, by 2028, the International Financial Reporting Standards – Sustainability Disclosure Standards (ISSB Standards), making HKC to be amongst the first jurisdictions to align its local requirements with the ISSB Standards.

In parallel, enabling initiatives have been rolled out to equip micro, small and medium-sized enterprises (MSMEs) with the means to manage their environmental footprint and encourage market participants to improve sustainable business practices. Funding schemes and capacity building programmes have also been put in place to encourage the adoption of digital technologies by MSMEs to facilitate the digital transformation of supply chains.

The issue of supply chains has always been an integral part of APEC discussions since 2009 when our predecessors endorsed the APEC Supply Chain Connectivity Framework Action Plan at the APEC Ministerial Meeting. HKC believes that APEC has a continued key role in facilitating our businesses in

strengthening sustainable supply chains. APEC's role becomes even more important now than ever, when cross-border trade and investments and supply chains face uncertainty and unprecedented challenges.

To this end, HKC appreciates Korea's efforts in organising an informative public-private forum on this important topic last week.

Our collective goal of strengthening sustainable supply chains should never be a trade-off between sustainability and trade, but rather a synergy between the two. HKC is committed to working with all member economies to drive progress towards shared prosperity through sustainable trade.

Thank you.