

Free Trade Agreement and Investment Agreement between Hong Kong and Australia enter into force

The Free Trade Agreement (FTA) and Investment Agreement signed between Hong Kong and Australia entered into force today (January 17), providing Hong Kong traders and investors with legal certainty and more favourable access to the Australian market, while creating more business opportunities and enhancing trade and investment flows between Hong Kong and Australia.

The FTA, the fourth FTA signed and taken effect within the current term of the Government, is a comprehensive and high-quality one covering trade in goods, trade in services, investment, government procurement, intellectual property, competition and other related areas.

On trade in goods, all Hong Kong-originating goods can enter Australia tariff-free and via simplified procedures immediately upon the entry into force of the FTA.

On trade in services, commitments made by Australia cover some 140 service sectors, encompassing those where Hong Kong has traditional strengths or has potential for development. These include professional services (including arbitration, conciliation and mediation services), business services, transport services, financial services and telecommunications services. Under the FTA, Hong Kong service providers are able to enjoy market access and treatment no less favourable than Australia's local service providers under like circumstances. On investment, Hong Kong investors can enjoy more favourable access to the Australian market under the FTA. In particular, the monetary thresholds for investment screening in a number of sectors have been raised. Investors from both places will also benefit from the modern provisions on treatment and protection under the new Investment Agreement which, upon its entry into force, replaces the one signed in 1993.

Other benefits of the FTA include facilitative arrangements for business travel as well as provisions to facilitate access to each other's government procurement markets, effective protection of intellectual property rights and promotion of competition.

For details of the preferential tariff treatment under the FTA, Hong Kong exporters may refer to the trade circular issued by the Trade and Industry Department (TID) at www.tid.gov.hk/english/aboutus/tradecircular/coc/2019/coc2019.html.

Details of the Agreements, including the full text, are available on the TID's website (www.tid.gov.hk/english/ita/fta/hkaufita/index.html).