

Hong Kong, China – Georgia Free Trade Agreement to enter into force on February 13

The Hong Kong, China – Georgia Free Trade Agreement will enter into force on February 13, giving Hong Kong exporters and service providers the legal certainty of favourable treatment and market access to Georgia.

"The Agreement, signed on June 28, 2018, is comprehensive in scope, encompassing trade in goods, trade in services, admission of investment, dispute settlement mechanisms, etc. It is the first free trade agreement which Hong Kong signed with a country in the Caucasus.

"With Georgia being a gateway to the Caucasus, this Agreement not only enhances trade and investment flows between Hong Kong and Georgia, but also paves the way for the business community to tap into opportunities in the Caucasus under the Belt and Road Initiative," the Secretary for Commerce and Economic Development, Mr Edward Yau, said today (January 22).

Mr Yau noted that the current-term Government has signed three free trade agreements (FTAs) with 12 economies (the 10 member states of the Association of Southeast Asian Nations, Georgia and the Macao Special Administrative Region). It has also concluded negotiations for FTAs with Australia and the Maldives.

"To help Hong Kong enterprises and investors expand their markets and further reinforce Hong Kong's status as an international trade and investment hub, we will continue our efforts in expanding our worldwide network of economic and trade connections through actively seeking to negotiate and forge FTAs and Investment Agreements with economies that have strong economic and trade connections with us, markets with development potential or at strategic locations, and like-minded trading partners," Mr Yau said.

On trade in goods, Georgia will eliminate import tariffs on more than 96 per cent of its tariff lines for Hong Kong's originating products upon the entry into force of the Agreement.

As regards trade in services, which includes supplies of services through establishing commercial presence, commitments made by Georgia cover sectors in which Hong Kong has traditional strengths or has potential for further development, including financial services, telecommunications services, various business services, wholesale and retailing services, arbitration services, audio-visual services, construction and related engineering services, environmental services, various transport services and printing and publishing services.

On investment in non-services sectors, Georgia will accord Hong Kong

investors with treatment and other safeguards that are no less favourable than those enjoyed by its local investors. This will enhance investors' confidence and facilitate two-way investment flows between Hong Kong and Georgia.

The Agreement also contains provisions to ensure effective protection of intellectual property rights, promote competition, and enhance protection of the environment. The two sides have agreed to establish a transparent mechanism for consultations and settlement of possible disputes arising under the Agreement.

To help Hong Kong exporters make good use of the preferential tariff treatment under the Agreement, the Trade and Industry Department (TID) has issued trade circulars today to inform the trade of the relevant preferential rules of origin and the related requirements. The Agreement, including its full text, is available on the TID's website (www.tid.gov.hk/english/ita/fta/hkgefta/index.html), and the circulars can be accessed at www.tid.gov.hk/english/aboutus/tradecircular/coc/2019/coc2019.html.