

Hong Kong signs first protocol to amend ASEAN – Hong Kong, China free trade agreement

The Secretary for Commerce and Economic Development, Mr Algernon Yau, signed today (January 9) the First Protocol to Amend the Free Trade Agreement (FTA) between the Association of Southeast Asian Nations (ASEAN) and Hong Kong (the Protocol), to update the Product Specific Rules (PSR) of origin under the FTA, enhancing the coverage of the PSR from more than 200 categories of products to almost 600, thereby enabling Hong Kong businesses to more easily and effectively gain Hong Kong-originating status for an increased number of specified products, and thus enjoy preferential tariff treatment when expanding into the growing ASEAN market.

The specified products incorporated into the FTA through the Protocol include various categories of products of interest to Hong Kong traders and manufacturers, such as jewellery, medicaments, food products and textile products. The signing of the Protocol will help enhance the competitiveness of the products concerned and trade flows, creating more business opportunities for Hong Kong businesses in the ASEAN market.

"ASEAN is Hong Kong's second-largest trading partner in merchandise trade with a total trade volume of around \$1,294 billion in 2022, representing a growth of over 38 per cent since the signing of the FTA in 2017. Our burgeoning trade has been uplifted by the FTA, signifying the latter's importance in consolidating our position as an international trade centre," Mr Yau said.

"I have full confidence that the implementation of the Protocol will further drive growth in our economic and trade relations with the ASEAN member states. As a staunch proponent of free trade, Hong Kong, joining hands with our trading partners, will continue to strive for further liberalisation of trade in the region," he added.

The text of the Protocol will be uploaded onto the Trade and Industry Department's website (www.tid.gov.hk/english/ita/fta/hkasean/index.html) after all parties have completed their signing. Hong Kong and ASEAN will continue to work closely to bring about the early implementation of the Protocol, so that Hong Kong exporters may reap the benefits as soon as possible.