

SCED attends 8th ASEAN Economic Ministers – Hong Kong, China Consultation (with photos)

The Secretary for Commerce and Economic Development, Mr Algernon Yau, and the Minister of Industry and Commerce of Laos, Mr Malaithong Kommasith, co-chaired the eighth Association of Southeast Asian Nations (ASEAN) Economic Ministers – Hong Kong, China (HKC) Consultation in Vientiane, Laos, today (September 20) to discuss issues relating to the implementation of the ASEAN-HKC Free Trade Agreement (AHKFTA) and the Investment Agreement (IA), and exchange views on recent regional and global economic developments.

Speaking at the meeting, Mr Yau highlighted the long-term close relationship between Hong Kong and ASEAN. ASEAN is Hong Kong's second-largest partner in trade in goods, the third-largest destination of outward direct investment and the fourth-largest partner in services trade. He highlighted that the three visits to ASEAN led by the Chief Executive, Mr John Lee, since his assumption of office in 2022 have created business opportunities and strengthened friendships. These visits led to the signing of nearly 90 memoranda of understanding and agreements altogether.

Mr Yau said that the signing of the AHKFTA and the IA in 2017 had laid a solid foundation for the trade and economic relationship between Hong Kong and ASEAN to grow and flourish. He looked forward to the early implementation of the First Protocol to Amend the AHKFTA so that traders could benefit from the updated rules of origin as soon as possible.

Meanwhile, Mr Yau announced at the meeting Hong Kong's support for the continuation of the Economic and Technical Cooperation (ECOTECH) Work Programme under the AHKFTA for another five years, with an enhanced contribution by 20 per cent to \$6 million a year from 2025.

The ECOTECH Work Programme aims to build the capacities of the parties of the AHKFTA through technical assistance, knowledge transfer and information-sharing activities. So far, 35 projects have been approved covering different areas of trade and investment. Thirteen of them have been completed up to end-2023, benefitting more than 5 600 participants from both Hong Kong and ASEAN.

Mr Yau also took the opportunity to reiterate Hong Kong's keen interest and readiness for accession to the Regional Comprehensive Economic Partnership (RCEP). He thanked ASEAN for the staunch and continued support to Hong Kong's accession bid.

"We very much hope to see the early adoption of accession procedures by RCEP members and the launching of substantive discussions between RCEP members and Hong Kong," he added.

During the meeting, Mr Yau shared with the ASEAN member states (AMS) Hong Kong's experience in supporting small and medium enterprises (SMEs) in digital transformation and electronic commerce (e-commerce) amid the ever-changing economic environment. The support measures included the launch of the \$500 million Digital Transformation Support Pilot Programme, the development of the Trade Single Window, the setting up of an interdepartmental E-commerce Development Task Force, and the launch of "E-commerce Easy" to provide financial support to SMEs in doing e-commerce business.

Mr Yau also called on the AMS to join hands in eliminating barriers to digital trade and creating an environment that facilitates businesses in harnessing the opportunities presented by the digital economy. He added that Hong Kong will continue to work with other World Trade Organization (WTO) members to pursue the extension of the WTO e-commerce moratorium, as well as to reinvigorate the Work Programme on Electronic Commerce, to promote inclusivity and sustainability of digital trade.

On the sidelines of the meeting, Mr Yau held a bilateral meeting with the Secretary-General of ASEAN, Dr Kao Kim Hourn, to discuss various trade and economic issues.

Mr Yau will next visit Singapore before returning to Hong Kong on September 24.

