

SCED briefs Australian Chamber of Commerce on Hong Kong's business outlook (with photos)

The Secretary for Commerce and Economic Development, Mr Edward Yau, updated members of the Australian Chamber of Commerce Hong Kong (AustCham) on the trade performance and business outlook of Hong Kong and initiatives related to commerce and trade in "The Chief Executive's 2021 Policy Address" at a business breakfast organised by AustCham today (October 20).

Mr Yau has met with major local chambers of commerce, the Trade and Industry Advisory Board, members-elect of the Election Committee Textiles and Garment Subsector, European Union trade commissioners and European chambers of commerce in Hong Kong, British Chamber of Commerce in Hong Kong and local start-ups after the delivery of the Policy Address.

Mr Yau pointed out the resilience displayed by Hong Kong's trade performance despite the COVID-19 epidemic. Last year, Hong Kong's global ranking in terms of total merchandise trade value rose to sixth place. Benefitting from the stable supply chains maintained through effective control of the epidemic in the Mainland, the value of Hong Kong's total merchandise trade has rebounded since the fourth quarter of last year and hit a record high of \$6,509.9 billion for the first eight months of this year.

Furthermore, according to the results of two latest annual surveys conducted by Invest Hong Kong and the Census and Statistics Department, the number of business operations in Hong Kong with parent companies overseas or in the Mainland reached 9 049 and the number of start-ups in Hong Kong was 3 755 in 2021, both reaching record highs. These figures demonstrate fully that despite the impact of COVID-19 epidemic, Hong Kong remains an ideal place for companies to set up or expand their businesses, and for start-ups to flourish.

Mr Yau said that Australia is an important trading partner of Hong Kong. The total merchandise trade between Hong Kong and Australia amounted to more than HK\$48,000 million in 2020. The Free Trade Agreement (FTA) and Investment Agreement signed between Hong Kong and Australia in March 2019, which cover trade in goods, trade in services, investment, government procurement, intellectual property, competition and other related areas, are comprehensive, modern and of high standard. They have provided 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.

Hong Kong will continue to be a staunch supporter of free trade and multilateral co-operation. It will also strive to explore more trade opportunities for businesses, including seeking early accession to the Regional Comprehensive Economic Partnership (RCEP), in which Australia is one

of the participating economies.

Hong Kong's accession to the RCEP will not only strengthen the economic, trade, and investment ties between Hong Kong and the RCEP participating economies, facilitating Hong Kong's further integration into the regional value chain and hence driving regional economic growth, but will also enable Hong Kong's goods and enterprises to benefit from the relevant measures in the RCEP such as tariff reduction, preferential market access, removal of trade barriers and simplified customs procedures. It will help lower the costs of trading and bring about new business opportunities for Hong Kong's goods and enterprises in expanding their markets in the region, thereby providing a momentous drive to global economic recovery in the post-pandemic era.

Mr Yau will continue to meet with foreign chambers of commerce next week.

