

SCED shares insights on trade landscape under COVID-19 pandemic at Asia Trade Week 2021 (with photo)

The Secretary for Commerce and Economic Development, Mr Edward Yau, gave a keynote interview at Asia Trade Week 2021, which is themed "Reviving trade: the way forward", today (February 22), sharing his insights on the trade landscape under the COVID-19 pandemic.

During the online interview, Mr Yau said that the pandemic has brought an uneven impact on the trade in Hong Kong, as commodity trade has not been much affected but trade in services has taken a more heavy toll. Nevertheless, some areas such as financial services and information and technology have still achieved robust growth. Hong Kong's situation may resemble the situation globally.

On relief measures provided by the Government to support enterprises in Hong Kong, Mr Yau talked about the two tranches of the Employment Support Scheme and four rounds of the Anti-epidemic Fund, which has provided targeted economic relief packages for hard-hit industries covering tourism, retail, and food and beverage. The Government has also rolled out and topped up the SME Financing Guarantee Scheme to provide cash flow relief to enterprises. The Scheme was well-received by SMEs, he said.

Noting that most economies are still suffering from the economic recession caused by the pandemic, Mr Yau said that the pandemic would put pressure on operation costs on the way to economic recovery. And bigger challenges come from whether anti-pandemic measures will become an excuse for trade barriers and whether protectionist sentiments will happen to rise. However, there are good developments on the global trade scene. Citing the conclusion of the Regional Comprehensive Economic Partnership (RCEP), he said that high-standard free trade agreements could strengthen the multilateral trading system, enhance regional trade co-operation and remove trade barriers.

Mr Yau stressed that Hong Kong stands ready to join the RCEP. Among the 15 economies of the RCEP, Hong Kong has had direct free trade agreements with 13 members including the Association of Southeast Asian Nations, Australia and New Zealand, on top of the Mainland and the Hong Kong Closer Economic Partnership Arrangement, which provides a very good platform for Hong Kong to start a meaningful and constructive discussion with RCEP members.

Mr Yau said how widely e-commerce was adopted by all economies was very important to economic recovery as the pandemic has affected the movement of goods and people. It is an area where international trade organisations could seek further collaboration.

Organised by The Economist Events, Asia Trade Week 2021 will be held

from today to February 25. Policymakers, business leaders, trade negotiators, academics and economists will have discussions on major factors that will shape the future of trade in Asia and beyond.

