

Speech by SCED at APEC MRT Meeting discussion session on Trade Liberalisation: World Trade Organization (English only)

Following is the speech by the Secretary for Commerce and Economic Development, Mr Algernon Yau, at the discussion session entitled "Trade Liberalisation: World Trade Organization (WTO)" at the Asia-Pacific Economic Cooperation (APEC) Ministers Responsible for Trade Meeting in Arequipa, Peru, today (May 17, Arequipa time):

Good afternoon, Chair, Deputy Director-General of the WTO (Ms Angela Paolini Ellard), and colleagues.

I would like to thank Peru for bringing us to this beautiful and historic city of Arequipa and for their warm hospitality.

Despite various challenges, the 13th WTO Ministerial Conference (MC13) managed to deliver some, albeit modest, outcomes. At this critical juncture, APEC's role as a champion of the WTO assumes even greater significance. APEC not only provides a platform for open dialogue about the WTO, fostering trust and understanding among member economies, but also serves as an incubator for innovative ideas and solutions. Allow me to make a few recommendations on how we can make the most out of the MC13 outcomes to reinforce the WTO's credibility and ensure its continued relevance in the evolving global trade landscape.

First, a pressing priority is to restore by 2024 a fully and well-functioning dispute settlement system accessible to all WTO members, a goal we set to achieve in less than eight months' time. With the appointment of a new facilitator and the formalisation of the reform process, it is important for the membership to expedite discussions in an inclusive and transparent manner so as to achieve concrete outcomes by the end of 2024 as we agreed in Abu Dhabi. Hong Kong, China (HKC) fully supports the interest-based, "bottom-up" and solution-oriented approach in the upcoming discussions, and we call upon APEC member economies to step up our engagement, be responsive to the views of WTO members, and more importantly be constructive and creative in finding a landing zone in the remaining discussions.

Second, the WTO must demonstrate its capability to formulate rules addressing the complex challenges of today's global trading scene. At a time when achieving multilateral consensus is becoming more and more challenging, plurilateral trade initiatives emerge as a pragmatic solution for addressing pressing issues of common concern. We welcome the successful conclusion of the negotiations for the Investment Facilitation for Development Agreement, supported by a significant majority of WTO members, including a substantial

number from the APEC region. Closely on its heels is the Joint Statement Initiative on E-Commerce where again many of us at APEC are participants. Together we must push forward with the early incorporation of such plurilateral initiatives into the WTO's legal framework and encourage more WTO members to join the agreements.

On trade and environment, we are so close, yet still a distance away from both the entry into force of the Agreement on Fisheries Subsidies and the conclusion of the second-wave negotiations. Most of us here have formally accepted the Agreement, and we urge others to expedite actions to reinforce APEC's leadership in promoting positive trade and environment outcomes. HKC will continue to work constructively with WTO members to bridge the remaining gaps in discussions in Geneva.

The extension of the moratorium on customs duty on electronic transmissions at the eleventh hour of the MC13 preserved the facilitating environment for all businesses, micro, small and medium-sized enterprises and women in particular, to continue pursuing cross-border trade and deepening their presence in the global market which is now deeply ingrained in e-commerce. Going forward, the extension of the moratorium deserves the support of APEC member economies as we continue to engage in useful dialogues to refine the relevant framework and trading environment.

An APEC Business Advisory Council (ABAC) delegation recently made a visit to Geneva to foster dialogues and explore opportunities for a deeper engagement with the WTO community. As a group, APEC should support ABAC's initiatives in this regard to ensure ideas and views from our business community are given due consideration in WTO discussions.

HKC remains steadfast in supporting the rules-based multilateral trading system, with the WTO at its core. Recognising that every step of the progress contributes to the larger tapestry of global economic co-operation, we are committed to working together with WTO members to invest in the negotiations and bolster institutional functions of the WTO.

Thank you.