

Speech by SCED at opening ceremony of Authorized Economic Operator Expert Mission and Symposium for ASEAN and Hong Kong, China (English only)

Following is the speech by the Secretary for Commerce and Economic Development, Mr Algernon Yau, at the opening ceremony of Authorized Economic Operator Expert Mission and Symposium for ASEAN and Hong Kong, China today (November 30):

Commissioner Ho (Commissioner of Customs and Excise, Ms Louise Ho), distinguished guests, ladies and gentlemen,

Good morning. I am delighted to speak to you all today, as we gather to discuss matters of common interest in relation to the Authorized Economic Operator (AEO) Programme. I would like to express my warm welcome to those joining us from the Mainland, Macao and overseas. It is our pleasure to host the first AEO expert mission after the pandemic.

Hong Kong has been, and will continue to be, a thriving international trade centre, thanks to our excellent infrastructure, international connectivity and proximity to the Mainland market. We are the world's 10th largest merchandise trading entity, with over US\$1,200 billion worth of goods entering and leaving Hong Kong a year.

Since the signing of the ASEAN-Hong Kong, China Free Trade Agreement and the Investment Agreement in 2017, trade in goods between Hong Kong and the Association of Southeast Asian Nations (ASEAN) has increased by 38 per cent, reaching an all-time high of US\$165 billion in 2022. Meanwhile, Hong Kong's outward direct investment in ASEAN has also risen by 38 per cent, amounting to US\$77 billion by the end of 2021. In achieving so, the AEO Programme is pivotal in our efforts to improve trade efficiency and stimulate economic growth.

The AEO Programme is a concept developed by the World Customs Organization. Through establishing partnerships between Customs and the business sector, it enhances the management of supply chain security and facilitates the movement of legitimate goods. At present, about 100 economies worldwide have implemented the AEO Programme, signifying its significant role in promoting global trade. Hong Kong just celebrated the 10th anniversary of our AEO Programme last year. Hong Kong Customs has been working proactively to promote the AEO Programme even under the COVID-19 epidemic. We have concluded Mutual Recognition Agreements (MRA) with 14 economies so far, ranking fourth globally. We will continue to extend Hong Kong's MRA network and encourage the trade to capitalise on the Programme to seize business opportunities and open new markets.

Apart from expanding the AEO network, we are also committed to assisting Hong Kong enterprises and investors in market expansion, promoting the long-term economic development of Hong Kong. We have put in place various trade facilitation measures, other than the AEO Programme, to enhance customs clearance efficiency and expedite cargo flow while maintaining effective controls. These include the Trade Single Window, the Free Trade Agreement Transshipment Facilitation Scheme, etc. They are well-received by our trades and we take pride in being the world's top cargo airport and ranking in ninth place for "border clearance efficiency" in the Global Competitiveness Report released by the World Economic Forum, demonstrating our enduring leading position as an international aviation and cargo hub.

In light of the changing consumer shopping patterns amidst the pandemic, we have witnessed a rapid growth of e-commerce business worldwide. To assist Hong Kong's trade in developing e-commerce business, enhance efficiency in customs clearance and e-commerce delivery, it was announced in "The Chief Executive's 2023 Policy Address" that we will establish an E-commerce Development Task Force to implement relevant policies and subsidise the trade to implement e-commerce projects through "E-commerce Easy". These initiatives are expected to bring a positive impact to our trading partners as well.

Today's symposium not only highlights the importance of the AEO Programme but also demonstrates the strength of regional co-operation. Hong Kong Customs will be signing AEO MRA Action Plans with Cambodia and the Philippines, reflecting the strong ties between ASEAN and Hong Kong which will continue to grow. The Expert Mission provides a great opportunity for us to understand respective AEO Programmes first-hand and share experience in implementing an AEO Programme to suit our needs. We will also be signing a Memorandum of Understanding with our Mainland and Macao counterparts to further strengthen co-operation on the AEO front.

Lastly, I would like to express my gratitude to Hong Kong Customs for organising such a fruitful event for our ASEAN colleagues, and the support from the Economic and Technical Co-operation (ECOTECH) Work Programme under the ASEAN-Hong Kong, China Free Trade Agreement. The ECOTECH Work Programme has supported more than 10 projects in pursuit of mutual benefits for ASEAN and Hong Kong, benefitting around 4 000 participants from Hong Kong, ASEAN and other regions. As we proceed through this Expert Mission, I encourage you to engage with one another, exchange ideas, and make good use of this valuable platform.

Once again thank you for your support to the AEO Programme, and I wish you all a successful symposium.

As a reminder to our local supporters who are eligible voters in Hong Kong, the polling day of 2023 District Council Ordinary Election is December 10. This is the first large-scale territory-wide election following the implementation of the proposals on improving governance at the district level. Please cast your vote at the election for a better community. Thank

you.