

## Trade Policy Review of Australia (First Session on 11 March 2020)

### Statement of Hong Kong, China (HKC)

- Thank you, Chair. I would like to extend a warm welcome to the Australian delegation led by Mr George Mina, First Assistant Secretary of its Trade Negotiations Office. I would also like to thank the discussant, Ambassador Braithwaite of the UK, for sharing his insights with us.
- Hong Kong, China (HKC) has a close trade and economic relationship with Australia, which was our 7th largest trading partner in services in 2017, while the merchandise trade between HKC and Australia grew steadily at 1.5% a year during 2014 to 2018.
- Our economic ties were further strengthened when the Free Trade Agreement and Investment Agreement between HKC and Australia entered into force in January this year. The two agreements have provided a new platform for traders and investors of the two economies to explore untapped business opportunities and expand their businesses in the region.
- Australia is an advocate of open international economy. We highly appreciate Australia's strong commitment to the rules-based system as demonstrated by its active participation in WTO negotiations and discussions, in particular in the Joint Statement Initiatives on **electronic commerce** and **services domestic regulation**. We also note Australia's support to the Joint Statement Initiative on **Investment Facilitation for Development**. HKC looks forward to working closely with Australia and other like-minded Members to achieve concrete outcomes on these important issues at MC12.
- Now let me turn to a few specific areas in Australia's trade policies. On **services**, both HKC and Australia pursue liberalisation of trade in services. We would encourage Australia to continue its efforts in liberalising the services markets to promote foreign investment.

- On **trade facilitation**, we would commend Australia's continued effort in simplifying customs procedures. Meanwhile, we are pleased to note that Australia has fully implemented its authorised economic operator programme, namely, the Australian Trusted Trader (ATT), under which accredited traders can enjoy priority treatment at borders. ATT businesses also have access to trade facilitation benefits in other places, including Hong Kong, which have concluded Mutual Recognition Arrangements with Australia.
- On **tariffs**, we are glad to learn that the average rate of applied MFN duties on non-agricultural products for Australia had declined from 3.3% in 2014 to 2.7% in 2019, as a result of unilateral tariff reductions and implementation of the expanded Information Technology Agreement.
- Nevertheless, notwithstanding Australia's low or zero applied tariffs at present, the comparatively high bound rates remain a source of uncertainties to some businesses. We encourage Australia to consider narrowing the gap between its existing applied rates and bound rates so as to enhance predictability of the trading environment.
- Lastly, we congratulate Australia on the entry into force of the Agreement on **Government Procurement** in May last year and would look forward to working with Australia closely in the Committee on Government Procurement.
- Chair, HKC would continue to foster our economic and trade cooperation with Australia, and collaborate further in promoting and defending the rules-based multilateral trading system. We thank Australia for its replies to our written questions and wish it a successful trade policy review.
- Thank you.

**Hong Kong Economic and Trade Office in Geneva**  
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