

## **Origin Marking Requirement by the United States**

### **HKC's Intervention at the General Council Meeting on 13 October 2020**

Thank you, Chair, for giving me the floor.

2. On 11 August this year, the United States (US) announced a revised origin marking requirement for Hong Kong products imported into the US. Under this revised requirement, which is scheduled to come into effect on 9 November this year, goods produced in Hong Kong and to be exported to the US may no longer be marked to indicate “Hong Kong” as their origin, but must be marked to indicate “China” instead.

3. Hong Kong, China expresses our strong objection to the revised origin marking requirement imposed by the US. We have already written to request the US to withdraw such measure with immediate effect and invite the US for bilateral discussions with a view to resolving the matter in our mutual interests. Regrettably, the US has so far not withdrawn the measure.

4. Our objection is multi-fold. Not only does this US measure disregard the fact that Hong Kong is a separate customs territory with its own trade policies and origin rules, it will also impose unnecessary burden and difficulties to the business communities of both sides and cause confusion to US customers.

5. The US' requirement also ignores the well-established origin marking rules under the WTO, which aim to facilitate the flow of international trade and to eliminate unnecessary trade barriers. If we turn a blind eye to such arbitrary move, we are risking the dismantling of the principle of neutrality and objectivity in the origin marking of goods.

6. More from a systemic perspective, if a Member were allowed to unilaterally and arbitrarily dictate the name of another Member, or the name of the place of production or the identification that can be shown on the products of another Member, without regard to the facts, prevailing commercial practices and the relevant WTO rules, serious disruptions would be caused to international trade.

7. As a staunch supporter of the rules-based multilateral trading system, Hong Kong, China takes the rights and obligations of the WTO seriously, and expect all WTO Members to also respect WTO rules, honour their commitments and act in accordance with the WTO framework. This is the very reason why today I am bringing the matter to the attention of the General Council, the body responsible for overseeing and facilitating the implementation of WTO agreements, to see to it that the US, as a WTO Member, fulfils its commitment and responsibility under the WTO.

8. Thirty-four years ago and in this very same place we are now meeting, Hong Kong, being a separate customs territory, was accepted as a Contracting Party to the GATT. We are proud of our separate and full membership, and we treasure the values of openness and non-discrimination that are fundamental and unique to the rules-based multilateral trading system.

9. Profound developments were witnessed in the ensuing 34 years: the establishment of the WTO in 1995 with Hong Kong as one of the founding Members; the establishment of the Hong Kong Special Administrative Region in 1997 when we started using our present name “Hong Kong, China”; our hosting of the Sixth Ministerial Conference in 2005; and there are many more. But what remains unchanged is our status as a separate customs territory, our full membership at the WTO as well as our continuous and steadfast commitment to free and open trade and to the rules-based multilateral trading system with the WTO at its core.

10. Today, I again urge the US to honour its commitment and responsibility as a WTO Member and take the necessary actions to ensure its compliance with the rules under the WTO. Should the US fail to address our concerns over its revised origin marking requirement, Hong Kong, China is determined to defend its legitimate rights and interests in accordance with the dispute settlement procedure under the WTO.

11. Allow me to end my intervention by sharing with Members a question that I have been pondering during the past two months: How would it be justified for any WTO Member to deny another Member of its intrinsic rights to mark the origin of its products for international trade clearly, truthfully and unambiguously? Such a denial is tantamount to erasing the name of a Member from an overseas market, together with the brand names and goodwill that its entrepreneurs and traders have worked so hard for generations to build.

12. Chair, thank you again for giving me the floor to address the Members on this important matter, which bears substantial trade and systemic implications. Thank you very much.

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

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