



The Financial Secretary, Mr John C Tsang (left), and the Vice-Minister of Commerce, Mr Jiang Yaoping (right), sign Supplement VIII to CEPA on 13 December 2011. ©

23 liberalisation measures in 16 service sectors, and strengthening co-operation in finance, tourism, innovation and technology, etc.

During a visit to Hong Kong on 17 August 2011, Vice-Premier of the State Council, Mr Li Keqiang, stated clearly that the CPG expects that by the end of the National 12th Five-Year Plan period, i.e. 2015, full liberalisation of Hong Kong's trade in services in the Mainland would basically be achieved through further broadening the contents of CEPA, deepening the implementation of the agreed measures, and developing more areas of co-operation. With this objective in view, the two places will continue to enrich CEPA to create more development opportunities for Hong Kong enterprises in the Mainland. The continued development of CEPA will, at the same time, enhance the multi-faceted development of the two places and give momentum to the modernisation of the service industries in the Mainland, and better prepare the country to face the challenges and opportunities of globalisation.

Free trade and separate customs territory

Article 115 provides that “the HKSAR shall pursue the policy of free trade and safeguard the free movement of goods, intangible assets and capital”. This provision enables Hong Kong to maintain its free port status. This is essential to keeping the city as one of the world's leading trading hubs, and in line with the externally oriented and open nature of the Hong Kong economy.

Article 116 provides that “the HKSAR shall be a separate customs territory”. In other words, all export quotas, tariff preferences and other



similar arrangements obtained or made by the government before and after the reunification remain valid.

In addition, Hong Kong continues to play a major role in global economic and trade affairs after the reunification. The Basic Law provides that Hong Kong may use the name “Hong Kong, China” to join international organisations, enter into international trade agreements and participate in multilateral trade negotiations and arbitration. This is reflected in Hong Kong’s separate membership in international bodies, such as the WTO and the World Customs Organization (WCO).

The Financial Secretary, Mr John C Tsang (centre), proposes a toast with the two signatories, the Secretary for Commerce and Economic Development, Mrs Rita Lau (fourth from left) and New Zealand’s Minister of Trade, Mr Tim Groser (fourth from right), and other guests at the signing of the CEPA between Hong Kong and New Zealand on 29 March 2010. ©



The Director-General of InvestHK, Mr Simon Galpin (right), and the Dean of the Faculty of Business Administration at the Chinese University of Hong Kong, Professor Wong Tak-jun, announce the results of the United Nations Conference on Trade and Development’s World Investment Report 2011.