



THE EIGHTH AEM-HONG KONG, CHINA CONSULTATION
20 September 2024, Vientiane, Lao PDR

JOINT MEDIA STATEMENT

1. The Eighth AEM-Hong Kong, China (AEM-HKC) Consultation was held on 20 September 2024 in Vientiane, Lao PDR. The Consultation was co-chaired by H.E. Malaithong KOMMASITH, Minister of Industry and Commerce of Lao PDR, and H.E. Algernon YAU, Secretary for Commerce and Economic Development of HKC. The Meeting also welcomed the participation of H.E. Filipus Nino Pereira, Minister of Commerce and Industry, the Democratic Republic of Timor-Leste as an observer.

2. Based on ASEAN's preliminary statistics for 2023, two-way merchandise trade between ASEAN and HKC reached USD 117.4 billion, while the foreign direct investment (FDI) from HKC to ASEAN in 2023 amounted to USD 15 billion. The Meeting also noted that HKC is ASEAN's seventh largest trade partner and fourth largest source of FDI among ASEAN Dialogue Partners in 2023. At the same time, ASEAN, as a bloc, was HKC's second-largest merchandise trading partner in 2023. The FDI stock from ASEAN to HKC amounted to USD 67.9 billion at the end of 2022, placing ASEAN as the sixth largest source of FDI for HKC.

3. The Meeting exchanged views on regional and global economic challenges that could likely impact supply chain resiliency in the region, such as climate change, industrial policies, inflationary pressures and heightened geopolitical tensions, among others. The Meeting reaffirmed their commitment to further enhance economic integration and cooperation, particularly in the areas of digital transformation and sustainability, to navigate these challenges and strengthen the supply chain resiliency.

4. The Meeting welcomed the signing of the First Protocol to Amend the ASEAN-Hong Kong, China Free Trade Agreement (AHKFTA) to incorporate the new Product Specific Rules of Origin to the AHKFTA by all Parties on 19 September 2024 and looked forward to its early implementation. The Meeting was pleased to note the commencement of the preparatory work on the First Protocol to Amend the ASEAN-Hong Kong, China Investment Agreement (AHKIA) to give effect to the Schedules of Reservations of Parties. The Meeting urged all Parties to expedite the discussions and adoption of the protocol, and to work towards the resolution of other issues under the Work Programme of the AHKIA.

5. The Meeting welcomed the completion of the Review of the AHKFTA Economic and Technical Co-operation (ECOTECH) Work Programme. The Meeting noted the key findings, which, among others, indicated that the ECOTECH Work Programme had fulfilled its objectives as stipulated in the AHKFTA. Its activities were successful

in strengthening the capacity of relevant stakeholders of the AHKFTA Parties and fostering relationships among SMEs and government officials in ASEAN and HKC. It has significantly contributed to ASEAN's economic recovery in the post-COVID-19 pandemic era, as well as complemented the ASEAN economic integration agenda in achieving the goals provided in the ASEAN Economic Community (AEC) Blueprint 2025. The Meeting noted that the ECOTECH activities were implemented to promote the utilisation of the AHKFTA and support ASEAN in its journey towards deepening regional economic integration with the assistance of and support from HKC.

6. The Meeting noted the expansive benefits that the relevant stakeholders in ASEAN have experienced, including the business links and government networks established through the implementation of the ECOTECH activities. The Meeting welcomed and expressed appreciation to HKC's additional commitment of HK\$30 million for the extension and enhancement of the AHKFTA ECOTECH Work Programme until 2029 noting that ensuring continuity of the economic and technical assistance to promote closer collaboration among AHKFTA Parties through practical ECOTECH activities is vital to advancing economic integration and fostering greater people-to-people connection in the region. The Meeting tasked officials to follow up on the recommendations of the Review, particularly on exploring the expansion of the scope of cooperation to cover emerging issues such as digital transformation and sustainable development, and areas covered in other ASEAN FTAs, such as competition and government procurement, to allow wider exchange of knowledge and experience among the Parties. The Meeting looked forward to a seamless extension of the AHKFTA ECOTECH Work Programme after the completion of the first 5-year cycle in 2024.

7. The Meeting appreciated HKC's readiness for the Regional Comprehensive Economic Partnership (RCEP) membership and positively recalled both the keen interest of HKC for an early accession to RCEP as well as the value and important contributions that HKC's accession will add to RCEP. The Meeting recognised the benefits of, and therefore supported, the early adoption of the accession procedures by RCEP Members to facilitate the launch and conclusion of substantive discussions with interested economies including HKC on their accession.

8. The Meeting acknowledged the successful conclusion of the Thirteenth World Trade Organization (WTO) Ministerial Conference (MC13) held on 26 February – 2 March 2024 in Abu Dhabi, United Arab Emirates. The Meeting noted the outcomes of the MC13, including WTO Members' resolve to preserve and strengthen the multilateral trading system, with the WTO at its core, to provide meaningful impetus to respond to current trade challenges, take advantage of available opportunities, and ensure the WTO's proper functioning. The Meeting, in particular, welcomed the Ministerial Decision on the Accession of the Democratic Republic of Timor-Leste to the WTO. The Meeting acknowledged that Timor-Leste's accession to the WTO is an important stepping stone for Timor-Leste's accession to ASEAN. The Meeting was also pleased to note specific outcomes of the WTO MC13 that reiterated the centrality of the development dimension in the work of the WTO.

9. The Meeting noted the progress in the implementation of the Roadmap for Timor-Leste's Full Membership in ASEAN adopted at the 42nd ASEAN Summit. Encouraged by Timor-Leste's commitment, the Meeting reaffirmed its support to

continue providing capacity building and technical assistance to facilitate Timor-Leste's integration into the mainstream of ASEAN-HKC economic relations. The Meeting also encouraged the Timor-Leste government to intensify efforts towards its accession to ASEAN.
