

Trade and Industry Department The Government of the Hong Kong Special Administrative Region

香港特別行政區政府工業貿易署

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Mr Desmond Lam Clerk to Panel <u>LC Paper</u> Panel on Commerce and Industry Legislative Council Secretariat Legislative Council Complex 1 Legislative Council Road Central, Hong Kong (Fax: 2978 7569)

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28 February 2020

Dear Mr Lam,

Legislative Council Panel on Commerce and Industry -Follow-up to Meeting on 21 January 2020

Implementation of the CEPA Agreement on Trade in Goods

Our consolidated reply to the question raised by Dr Hon CHIANG Lai-wan at the meeting of the Legislative Council Panel on Commerce and Industry on 21 January 2020 is provided below.

Starting from 1 January 2019, the Agreement on Trade in Goods under the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) consolidates and updates the commitments on liberalisation and facilitation of trade in goods under CEPA, and introduces a general rules of origin (ROO), allowing products without product-specific ROOs to enjoy zero tariff upon importation into the Mainland subject to the fulfilment of the general ROO.

Since the implementation of the CEPA until end of December 2019, the Trade and Industry Department has issued 187 393 Certificates of Hong Kong Origin (CO(CEPA)) involving more than HK\$ 108.4 billion worth of exports which were entitled to zero tariff treatment upon importation into the Mainland, with tariff savings of about RMB 7.44 billion. CO(CEPA) issued in 2019 as well as the major product types imported into the Mainland, as compared to 2018 are as follows:

	2018	2019 (% change as compared to 2018)
NumberofIssuedCO(CEPA)	13,062	17,376 (+ 33%)
Major product types imported into the	articles; pharmaceutical products; food and	plastics and plastic articles; food and beverages;
Mainland	beverages; chemical products; and optical, photographic and cinematographic instruments and parts	pharmaceutical products; chemical products; and machinery and mechanical appliances

Yours sincerely,

err (Mr Kerr LI)

for Director-General of Trade and Industry

c.c. CEDB (Mr WONG Kwok Piu, Bill)