

Free Trade Agreement between Hong Kong and the Member States of the European Free Trade Association

Overview

Hong Kong and the Member States of the European Free Trade Association (EFTA), namely Iceland, Liechtenstein, Norway and Switzerland, signed a comprehensive Free Trade Agreement (the Agreement) on 21 June 2011 in Liechtenstein.

The Agreement covers trade in services and goods as well as investment, and other trade related issues such as protection of intellectual property. It is fully consistent with provisions of the World Trade Organisation.

Subject to the domestic procedures of both sides, the Agreement is expected to enter into force in around mid-2012.

This is Hong Kong's first free trade agreement (FTA) with the European economies. It is an important milestone in our trade relations with the four EFTA States. It will serve as a catalyst to enhance the bilateral trade and investment ties between the two sides.

The Agreement will improve the conditions of access for our goods and services to the EFTA States and open up new business opportunities. Our traders and investors can use this new platform to establish and expand their business in the Northern and Western European markets.



Key Features of the Agreement

The Agreement consists of 11 chapters covering a wide range of areas of mutual interest to Hong Kong and the EFTA States. The key features are summarised below.

Trade in Services

The Agreement covers a comprehensive scope of service sectors, ranging from business and professional services, communication services, financial services and transport services to construction and related engineering services, distribution services, educational services, environmental services, health and social services, tourism and travel related services, as well as recreational, cultural and sporting services.

The Agreement will secure better business opportunities and legal certainty in market access for Hong Kong services providers and the services they provide in a wide range of service sectors in the EFTA States markets :

- ❖ There will not be any restriction on foreign capital, the number of service providers or operations, the value of service transactions, the number of persons employed, types of legal entity or joint venture requirements for various service sectors. For some service sectors where such requirements have to be in place for regulatory or other reasons, the requirements will not become more restrictive than the level agreed in the Agreement.
- ❖ They will be treated no less favourably than their

counterparts in the EFTA States as well as other economies in similar circumstances.



- ❖ Without compromising legitimate immigration control, business visitors, intra-corporate transferees, installers or maintainers, contractual service suppliers and independent professionals of Hong Kong will be granted temporary entry into relevant EFTA States in accordance with the commitments of individual EFTA States.

The Agreement also contains :

- ❖ disciplines on domestic regulation (DR) to ensure that measures affecting trade in services are transparent and administered in a reasonable, objective and impartial manner. Hong Kong and the EFTA States concerned will also further develop a comprehensive set of DR disciplines, covering licensing requirements and procedures, qualification requirements and procedures, technical standards, and other related matters, within one year after the entry into force of the Agreement.
- ❖ specific provisions to further facilitate trade of Hong Kong and the EFTA States in financial services and telecommunications services, which are important sectors of the two sides.

Trade in Goods

All industrial goods as well as fish and certain marine products of Hong Kong origin can enjoy duty-free entry into the EFTA States once the Agreement takes effect.

Tariff concessions are accorded to Hong Kong's processed agricultural products by the EFTA States.

To benefit from the preferential tariff treatment for exports to the EFTA States, Hong Kong traders need to comply with the preferential rules of origin and fulfil the relevant requirements.

For products originated in the EFTA States, Hong Kong commits to granting its current tariff-free regime.

Investment

The Investment chapter of the Agreement provides investors in non-service sectors with legal certainty on national treatment, facilitates their temporary entry and stay in Hong Kong and the EFTA States, and provides them with safeguards on movement of capitals and other aspects.

The provisions complement those in the Trade in Services chapter which cover investments in service sectors. All these provisions will help facilitate mutual investment flows and expand related economic activities between Hong Kong and the EFTA States.

Other Major Areas

The Agreement also contains a wide range of measures which seek to facilitate bilateral trade between Hong Kong and the EFTA States, as well as to create a more transparent and predictable business environment. In gist, they provide for :

- ❖ elimination of the use of anti-dumping measures;
- ❖ restriction of the application of countervailing and safeguard measures;
- ❖ enhanced communication and cooperation on technical barriers to trade and sanitary and phytosanitary measures;
- ❖ more efficient release of goods through simplification of customs formalities and documentation;
- ❖ promotion of competition;
- ❖ effective protection of intellectual property rights; and
- ❖ promotion of environmental protection through trade initiatives.



Agreements on Agriculture

Trade in basic agricultural products is governed by the separate bilateral agricultural agreements between Hong Kong and the individual EFTA States, which enter into force on the same date as the Agreement. Under these agreements, Hong Kong's basic agricultural products in which we have export interests will enjoy tariff free entry into the EFTA States. These agreements are subject to the relevant disciplines in the Agreement including those on trade in goods.

Bilateral Trade between Hong Kong and the EFTA States

The EFTA States are important trading partners of Hong Kong. The two sides share similar trade philosophy. Both practise free trade and are staunch supporters of the multilateral trading system.

Hong Kong and the EFTA States are close trade allies. Bilateral trade has been growing steadily for years.

Merchandise

Total bilateral merchandise trade between Hong Kong and the EFTA States amounted to about HK\$76 billion in 2010.

The average annual growth rate in bilateral trade between Hong Kong and the EFTA States was 13.8% from 2006 to 2010.

In 2010, the major domestic export items to the EFTA States were jewellery, silver and platinum, and concentrates, waste and scrap of precious metals (other than gold). Major



import items from the EFTA States included watches and clocks, silver and platinum, and jewellery.

Services

Total bilateral service trade between Hong Kong and the EFTA States amounted to about HK\$ 10 billion in 2009.

The average annual growth rate for total trade in services was 8.2% from 2005 to 2009.

In 2009, major service trade between Hong Kong and the EFTA States were transportation services, merchanting and other trade-related services, and financial services.

Background

The FTA negotiations between Hong Kong and the EFTA States commenced in January 2010.

After five rounds of negotiations, the negotiations were successfully concluded in March 2011.

The Agreement was signed on 21 June 2011 in Liechtenstein. Subject to the domestic procedures of both sides, the Agreement is expected to come into force in around mid-2012.

Further Information

Further information on the Agreement, including its full text, can be found on the following website:
www.tid.gov.hk/english/trade_relations/hkefta

For enquiries on the Agreement, please contact:
Trade and Industry Department
Tel: 2398 5333
Email: enquiry@tid.gov.hk

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香港與歐洲自由貿易聯盟國家 自由貿易協定

綜覽

香港與歐洲自由貿易聯盟國家(聯盟國家)，即冰島、列支敦士登、挪威和瑞士於2011年6月21日在列支敦士登簽訂自由貿易協定(《協定》)。

《協定》涵蓋貨物及服務貿易、投資及其他與貿易相關的事宜，如保護知識產權等。《協定》完全符合世界貿易組織的規則。

視乎雙方完成內部程序的時間，預期《協定》可約於2012年年中生效。

此《協定》為香港與歐洲經濟體系訂立的首份自由貿易協定。《協定》不僅標誌著香港與聯盟國家貿易關係的重要里程碑，亦有助促進雙方的貿易及投資聯繫。

《協定》將改善香港貨物及服務在聯盟國家的市場准入條件，並開創新的商機。香港商家及投資者可利用這個新平台，在北歐及西歐市場建立和開拓業務。

《協定》重點

《協定》包含11個篇章，涵蓋關乎香港與聯盟國家有共同利益的多個範疇。其主要特點概述如下：



服務貿易

《協定》涵蓋廣泛的服務行業，包括商業及專業服務、通訊服務、金融服務、運輸服務、建築及相關工程服務、分銷服務、教育服務、環境服務、健康相關和社會服務、旅遊及旅行相關的服務，以及康樂、文化及體育服務。

《協定》將為香港服務提供者及其所提供的服務，在聯盟國家市場的廣泛服務界別中，提供更佳的商機和具法律保障的市場准入：

- ❶ 多個服務界別在外來資金、服務提供者或服務業務的數量、服務交易價值、僱員人數、法律實體類別或聯營規定上，將不受任何形式的限制。至於某些服務界別因應監管或其他理由而需要設置上述規限，其有關規限將不會超出《協定》所同意的限制水平。
- ❷ 在相類似的情況下，所獲的待遇將不下於聯盟國家或其他經濟體系的同業。
- ❸ 在不影響合理的出入境管制的情況下，香港的商務旅客、企業內部人員調動、安裝或維修人員、合約服務提供者及獨立專業人士，按個別聯盟國家的承諾，獲准臨時進入相關的聯盟國家。

《協定》亦包括：

- ❶ 國內法規守則，以確保影響服務貿易的措施具透明度、及在合理、客觀和公正的原則下執行。香港和相關聯盟國家於《協定》生效後一年內，將進一步訂定一套涵蓋牌照規定和程序、資格要求和程序、技術標準以及其他有關事項的完備國內法規守則。

- ❷ 針對金融服務和電訊服務的特定條文，以進一步促進香港與聯盟國家在這兩個對雙方均甚為重要的界別的貿易。

貨物貿易

在《協定》生效後，所有香港原產的工業貨品、魚類和若干水產在進入聯盟國家時，均可享有免關稅待遇。

聯盟國家亦會對香港的原產加工農產品給予關稅優惠。

如欲受惠於出口聯盟國家的特惠關稅待遇，香港出口商須符合優惠產地來源規則和相關規定。

至於源自聯盟國家的產品，香港承諾維持現行的零進口關稅安排。

投資

《協定》的投資章節為非服務行業的投資者提供國民待遇方面的法律保障，亦便利他們在香港和聯盟國家的臨時入境



和逗留，並給予他們在資金流通和其他方面的保障。

有關條文與服務貿易章節中關於投資於服務行業的條文相配合。兩者均有助促進香港與聯盟國家之間的投資流動及相關經濟活動。

其他主要範疇

《協定》亦包括以下一系列的措施，用以促進香港與聯盟國家的雙邊貿易，以及創造一個更具透明度和更明確的營商環境：

- ❶ 禁止使用反傾銷措施；
- ❷ 限制使用反補貼和保障措施；
- ❸ 加強技術性貿易壁壘和衛生與植物衛生措施方面的溝通和合作；
- ❹ 透過簡化有關手續和文件，提高貨物清關的效率；
- ❺ 促進競爭；
- ❻ 有效保護知識產權；以及
- ❼ 通過貿易措施促進環境保護。



農業協定

香港與個別聯盟國家簽訂的雙邊農業協定，將規管有關基本農業產品的貿易，這些農業協定將與《協定》同日生效。聯盟國家將根據有關協定，給予香港有出口利益的本地基本農產品免關稅待遇。這些農業協定受《協定》，包括當中有關貨物貿易及其他相關的規條所約束。



香港與聯盟國家之間的雙邊貿易

聯盟國家是香港的重要貿易伙伴。雙方擁有近似的貿易理念。兩者均奉行自由貿易，並堅定擁護多邊貿易制度。

香港與聯盟國家是緊密的貿易伙伴。雙邊貿易在過往多年均保持穩定增長。

商品

香港與聯盟國家的雙邊商品貿易總額於2010年約為760億港元。

2006年至2010年期間，雙邊商品貿易總額年均增長為13.8%。

在2010年，輸往聯盟國家的主要本土出口貨品為首飾、銀和白金，以及貴重金屬的精砂、廢料和碎料（黃金除外）。

從聯盟國家輸入的主要貨品包括鐘錶、銀和白金，以及首飾。

服務

服務貿易方面，香港與聯盟國家於2009年的雙邊貿易總額約達100億港元。

2005年至2009年期間，雙邊服務貿易總額年均增長為8.2%。

2009年，香港與聯盟國家之間的主要服務貿易為運輸服務、商貿和其他與貿易相關的服務，以及金融服務。

背景

香港與聯盟國家的自由貿易協定談判於2010年1月展開。

經過五輪會談，談判於2011年3月成功完成。

《協定》於2011年6月21日在列支敦士登簽訂。視乎雙方完成內部程序的時間，預期《協定》可約於2012年年中生效。

其他資料

有關《協定》的其他資料(包括《協定》的全文)，可瀏覽以下網址：

www.tid.gov.hk/tc_chi/trade_relations/hkefta

有關《協定》的查詢，請聯絡：

工業貿易署

電話：2398 5333

電郵：enquiry@tid.gov.hk

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