

# Free Trade Agreement between Hong Kong, China and Peru



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



## Overview

- ◆ The Free Trade Agreement (FTA) between Hong Kong and Peru was signed in November 2024
- ◆ The FTA is comprehensive in scope, encompassing trade in goods, trade in services (including e-commerce), investment and other related areas



## What are the benefits to Hong Kong?



### For Services and Service Providers

**Over 150**

services sectors to benefit from specific commitments made by Peru:

around **2.5 times more (110) sectors** than Peru's commitment under the World Trade Organization (WTO)

for those sectors already covered by WTO commitments, **around 80%** will see improvements

### In these committed sectors, Hong Kong service providers enjoy:

- ◆ better market access, including the right to establish business in Peru to provide services
- ◆ treatment no less favourable than local service providers under like circumstances
- ◆ any additional liberalisation measures which Peru offers to other economies under its future FTAs

subject to the terms of this FTA

## Liberalisation commitments made by Peru in services sectors including:



## Other modern FTA disciplines committed, including:

- ◆ tariff-free undertaking for all electronic transmissions and other facilitation measures for e-commerce
- ◆ dedicated, modern disciplines on financial services
- ◆ transparency of domestic regulations and streamlining of application procedures for authorisation
- ◆ future work programme on professional services



## For Business Travellers

### Business travel facilitated - temporary entry into Peru granted for:

- ◆ Business visitors
- ◆ Intra-corporate transferees (ICT) and spouses of ICTs
- ◆ Investors
- ◆ Technicians

subject to relevant immigration requirements



## For Manufacturers and Exporters



**Immediate tariff-free entry** for 91.3% of Peru's tariff lines for Hong Kong originating goods upon the entry into force of the FTA, with an additional 7% to be phased out according to timetable in the FTA, and a further 0.6% subject to partial tariff elimination

- ◆ Simplify and harmonise customs procedures
- ◆ Reduce non-tariff barriers through enhanced cooperation and transparency



## For Investors

- ◆ Enjoy treatment no less favourable than local investors under like circumstances, as well as other safeguards, in respect of their investments in non-services sectors
- ◆ A separate Investment Promotion and Protection Agreement will be negotiated





## Other Areas

- ◆ Ensure effective protection of intellectual property rights and promote competition
- ◆ Economic and trade cooperation for enhancing the benefits of the FTA and promoting a favourable environment for small and medium enterprises
- ◆ Provide a transparent and comprehensive mechanism for consultations and settlement of disputes under the FTA



## When will the FTA take effect?



After Hong Kong and Peru have completed their respective internal procedures





## Why Peru?

- ◆ Peru ranked **fifth** among Hong Kong's merchandise trading partners in Latin America in 2023, with bilateral merchandise trade amounting to **HK\$5.2 billion**
- ◆ The bilateral merchandise and services trade between Hong Kong and Peru grew at an average annual rate of **4%** (from 2019 to 2023) and **16.3%** (from 2018 to 2022) respectively
- ◆ The FTA will provide a transparent, consistent and predictable regime for trade, also a favourable platform for Hong Kong's traders and investors to expand their businesses in Peru and through Peru to the Latin American markets
- ◆ Strategically, FTAs are conducted pursuant to the National 14th Five-Year Plan which supports Hong Kong in enhancing its status as an international trade centre. This FTA could also help contribute to the Belt and Road Initiative, and create synergy with the Free Trade Agreement between Hong Kong, China and Chile signed in 2012, expanding our FTA network in Latin America





## Where to find out more?

### Dedicated Webpage

<https://www.tid.gov.hk/english/ita/fta/hkpefta/index.html>

### General Enquiries

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### Tariff

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### Trade in Services

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