

Raymond Young

Director-general, Trade and Industry Department, Hong Kong government



How have you been involved in preparing for the WTO ministerial meeting?

Young: The Trade and Industry Department set up a dedicated office to prepare for this event in October 2004 and has been kept very busy since then. This office handles the logistical aspects of the meeting, requiring cooperation from almost every government department you can think of, as well as communication with all the visiting delegations. The public relations efforts have been equally intense. Some people have very misguided perceptions about the WTO, for example thinking it shields the big countries from cutting tariffs, when quite the opposite is true.

Has Hong Kong played a part in setting the agenda for the talks?

Young: Absolutely. John Tsang, the secretary for Commerce, Industry and Technology, will chair the ministerial meeting. He has also brokered many informal meetings behind the scenes. The order of business, covering agriculture, non-agricultural market access (NAMA), services, rules and development, is worked out by the WTO secretariat in conjunction with the Hong Kong government. We've proposed full modality for agriculture and trade talks. This means setting a sliding scale formula to cut tariffs systematically. It seems unlikely that we'll agree fully on such a formula, but we do hope to capture the consensus on key issues.

With Tsang chairing the ministerial meeting, do you shoulder more responsibility in negotiating for Hong Kong?

Young: It's true that John Tsang will be wearing a more disinterested hat, taking in the wider view rather than representing Hong Kong specifically. We don't have any defensive interests, but there are assertive interests covering services and NAMA that I will be raising.

How hopeful are you for a breakthrough in the Hong Kong talks?

Young: Right now there's a stalemate in negotiations, but that's not uncommon in the run-up to a big scheduled event. Certain parties are sure to be keeping cards up their sleeves.

How can the WTO help Hong Kong's accountants?

Young: If trade barriers around the world fall, economic activity could grow exponentially. It would be good for all service industries, including our professional service base in Hong Kong. More specifically we should hope for a breakthrough in services talks that may lead to the removal of particular access barriers. There could be deals similar to CEPA that we can negotiate with other countries.

China hasn't been terribly assertive in the WTO. Might that change this time round?

Young: China has clout, but it's keeping its head down. This is because it still has a lot of defensive interests. It made some substantial concessions when it joined the WTO two years ago and probably isn't ready to offer more improvements at this stage. Other developing nations such as Brazil and India are more vociferous in asking for trade openings from other countries.



Eric Li Ka-Cheung

Past Legislative Councillor and Hong Kong representative at the International Federation of Accountants (IFAC)



Why should professionals in Hong Kong care about the WTO?

Li: Hong Kong is certainly in a position to take advantage of its strength in the services sector, should the WTO talks see any breakthrough. We are fully attuned in convergence and international standards, and in most respects ahead of our regional peers. We can certainly take advantage of any negotiated concession. Having said that, I think the ministerial meeting will be important in itself, to show Hong Kong as the international city of China. It's no coincidence that Hong Kong has been chosen – it must be one of the safest places on earth right now. It will be a reminder to the world, and to international financial markets, that Hong Kong is a great place to do business.

Hong Kong's professional bodies exhibit a high level of self-regulation. How does Hong Kong balance its WTO commitment with the status of its professions?

Li: Hong Kong is well aware of the way the WTO and free trade talks work. The way we do our business has always been acceptable to the WTO. The talks aren't only about free trade – they're also about establishing legitimate, transparent ways to regulate and police economic activity. There will always need to be some standards governing qualifications, and rules governing practising. In Hong Kong there is nothing discriminatory about those rules. Hong Kong will always support the principle of having one set of rules for all.

China seems committed to catching up with the high standards of Hong Kong's professional services by adhering to international standards and improving the quality of its qualifications. Does this set China apart from the position of other developing nations in WTO talks?

Li: Hong Kong has worked very closely with China to help it integrate into the international community. We have strongly supported China's acceptance into international organisations, including the WTO. China still lacks experience and a really open practice environment. And there are many arbitrary barriers, such as licences and duties. The weaknesses of China's regulatory environment means the government will have to reduce its barriers around services and investment in a controlled, orderly fashion. And that will probably take some time.

You said you think hosting the WTO will be good news for Hong Kong. But do you think the talks will be remembered for success or failure?

Li: I think Hong Kong will be remembered for hosting a successful ministerial meeting. It's not everyday that so many important world leaders put their heads together in one place. That notion alone could be a compelling force to achieve results. We should be proud to play host to, and be associated with, such a significant world event.

Is it a good idea to be hosting the WTO talks? Should we care about the outcome? Tell us what you think. APLUS@eightpublishing.com