The following communication has been received from the delegation of Hong Kong, responding to questions raised by the two discussants during the Council meeting on the Trade Policy Review of Hong Kong.

Co-operation between Hong Kong and China in the fields of product testing, accreditation and quality certification

The Hong Kong Laboratory Accreditation Scheme (HOKLAS) was established in 1985 to upgrade the standard of testing and management of laboratories, to confer recognition on competent laboratories, and to promote the acceptance of their test results both locally and overseas. The counterpart organizations in China are the China State Bureau of Technical Supervision and the State Administration of Import and Export Commodity Inspection. Contacts between HOKLAS and these two organizations have included visits to HOKLAS and encounters in international fora like the International Laboratory Accreditation Conference. As both organizations have expressed interest in inviting HOKLAS to China to brief them on laboratory accreditation, there may be more exchanges in future.

The Hong Kong Quality Assurance Agency (HKQAA) is a ISO 9000 quality management certification agency established by the Government in 1989. There is at present no direct co-operation with organizations in China in respect of ISO 9000 audits of companies in China. There may be more co-operation in future as the HKQAA, together with the British Standards Institute (international training) is now having discussions with the China State Bureau of Technical Supervision and the State Administration of Import and Export Commodity Inspection on the provision of training for ISO 9000 assessors in China.
Impact of different regulatory approaches in Hong Kong and China on economic integration in technically advanced areas such as telecommunications

In the case of Hong Kong and China, there are no signs that the difference in regulatory approaches has affected the development of telecommunication networks and services between Hong Kong and China. Telecommunications traffic to and from China has increased four times in the last five years and IDD is now available to over 1,100 cities in China. This healthy development is expected to continue.

In addition, Hong Kong businesses have successfully entered into cross-border telecom joint ventures with China. China sees a strong need for developing telecommunications facilities as an essential part of its economic infrastructure, and welcomes foreign investment in them. A significant case in point is the recent announcement of a major telecom project in China involving Hong Kong Telecom as a joint-venture partner.