March 26, 2019

Mr Edward Yau

Secretary for Commerce and Economic Development

Hong Kong Special Administrative Region of the People’s Republic of China

Dear Secretary,

In connection with the signing of the *Free Trade Agreement between Australia and Hong Kong, China* (the Agreement) and discussions in relation to Chapter 13 (Government Procurement), I have the honour to confirm the following agreement reached between the Government of Australia (Australia) and the Government of the Hong Kong Special Administrative Region of the People's Republic of China (Hong Kong, China):

Government procurement generates significant economic activity. The open procurement systems established by Australia and Hong Kong, China provide valuable opportunities to enhance the linkages between our economies. In this regard, Australia and Hong Kong, China shall enter into discussions at an agreed time, but no later than two years after the date of entry into force of the Agreement, to facilitate industry capacity and capability to engage in each other’s government procurement markets, including on conditions for participation in each other’s procurement markets and the related assessment process.

I have the honour to propose that this letter and your letter in reply confirming the above constitute an agreement between Australia and Hong Kong, China, which shall enter into force on the date of entry into force of the Agreement.

Yourssincerely,

**Simon Birmingham**

March 26, 2019

The Honourable Mr Simon Birmingham

Minister for Trade, Tourism, and Investment

Australia

Dear Minister,

I have the honour to acknowledge receipt of your letter of March 26, 2019, which reads as follows:

*“In connection with the signing of the Free Trade Agreement between Australia and Hong Kong, China (the Agreement) and discussions in relation to Chapter 13 (Government Procurement), I have the honour to confirm the following agreement reached between the Government of Australia (Australia) and the Government of the Hong Kong Special Administrative Region of the People's Republic of China (Hong Kong, China):*

*Government procurement generates significant economic activity. The open procurement systems established by Australia and Hong Kong, China provide valuable opportunities to enhance the linkages between our economies. In this regard, Australia and Hong Kong, China shall enter into discussions at an agreed time, but no later than two years after the date of entry into force of the Agreement, to facilitate industry capacity and capability to engage in each other’s government procurement markets, including on conditions for participation in each other’s procurement markets and the related assessment process.*

*I have the honour to propose that this letter and your letter in reply confirming the above constitute an agreement between Australia and Hong Kong, China, which shall enter into force on the date of entry into force of the Agreement.”*

I have the further honour to confirm that the above reflects the agreement reached between the Government of the Hong Kong Special Administrative Region of the People’s Republic of China (Hong Kong, China) and the Government of Australia (Australia) and that your letter and this letter in reply constitute an agreement between Hong Kong, China and Australia, which shall enter into force on the date of entry into force of the *Free Trade Agreement between Hong Kong, China and Australia*.

 Yours sincerely,

( Edward Yau )

 Secretary for Commerce and Economic Development

 Hong Kong Special Administrative Region

 The People’s Republic of China