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5 April 2016

Mr Gary Poon
Principal Assistant Secretary for Financial Services and the Treasury (Treasury)(R)
Financial Services and the Treasury Bureau
24/F, Central Government Offices
2 Tim Mei Avenue, Tamar
Hong Kong

Dear Mr Poon,

Hong Kong's Programme for Tax Treaty negotiations in 2016

We refer to your letter of 4 March 2016 inviting recommendations on prospective jurisdictions that should be considered as part of Hong Kong's Comprehensive Avoidance of Double Taxation Agreement ("CDTA") and Tax Information Exchange Agreement ("TIEA") networks as well as automatic exchange of financial account information in tax matters ("AEOI") on the condition that Hong Kong can put in place the necessary local legislation.

The Chamber would like to emphasize again that the pursuit of CDTA is in our greatest interest as this provides the advantage of facilitating and promoting cross-border trade and investment. On the other hand, TIEA is mainly concerned with the access of taxpayer information. With the foregoing in mind, and to capitalise on the opportunities arising from the Mainland's Belt and Road initiative, we would therefore recommend that the Government considers approaching jurisdictions that fall under the catchment area of this important national strategy.

According to the Chinese Academy of Social Sciences, there are 65 jurisdictions that can be categorized as Belt and Road countries. We have already entered into or are in the midst of negotiating a CDTA with 20 of these jurisdictions.

We would recommend that the Government approaches the jurisdictions on the list attached on CDTA discussions for the purpose of further enhancing Hong Kong's role as a "super connector" for the flow of trade and investments from Mainland China to countries along Asia, Europe and Africa.

Sincerely,


Shirley Yuen
CEO

encl.

Proposed Potential CDTA Negotiation Partners

<u>Jurisdictions</u>	<u>Priority</u>	<u>Reasons</u>
<u>Southeast Asia</u>		
Cambodia	Medium	Belt and Road economy.
Laos	Medium	Belt and Road economy.
Myanmar	Low	Belt and Road economy.
Philippines	Medium	Belt and Road economy.
Singapore	High	Belt and Road economy. APEC member. Important trading partner and investment source.
Timor-Leste	Low	Belt and Road economy.
<u>South Asia</u>		
Bhutan	High	Belt and Road economy.
Maldives	Medium	Belt and Road economy.
Nepal	High	Belt and Road economy.
Sri Lanka	Medium	Belt and Road economy.
<u>Central and Western Asia</u>		
Afghanistan	Low	Belt and Road economy but subject to the restoration of general law and order in the country.
Armenia	High	Belt and Road economy.
Azerbaijan	Medium	Belt and Road economy.
Georgia	Medium	Belt and Road economy.
Iran	Low	Belt and Road economy.
Kazakhstan	Medium	Belt and Road economy.
Kyrgyzstan	Low	Belt and Road economy.
Mongolia	Medium	Belt and Road economy.
Tajikistan	Low	Belt and Road economy.
Turkmenistan	Low	Belt and Road economy.
Uzbekistan	Low	Belt and Road economy.

<u>Middle East and Africa</u>		
Egypt	Low	Belt and Road economy.
Iraq	Low	Belt and Road economy but subject to the restoration of general law and order in the country.
Jordan	Medium	Belt and Road country.
Lebanon	Low	Belt and Road economy but subject to the restoration of general law and order in the country.
Oman	High	Belt and Road economy.
Palestine	Low	Belt and Road economy but subject to the restoration of general law and order in the country.
Qatar	Low	Belt and Road economy.
Syrian Arab Republic	Low	Belt and Road economy but subject to the restoration of general law and order in the country.
Turkey	Medium	Belt and Road economy.
Yemen	Low	Belt and Road economy but subject to the restoration of general law and order in the country.
<u>Central and Eastern Europe</u>		
Albania	High	Belt and Road economy.
Belarus	High	Belt and Road economy.
Bosnia & Herzegovina	High	Belt and Road economy.
Bulgaria	High	Belt and Road economy.
Croatia	High	Belt and Road economy.
Estonia	High	Belt and Road economy.
Lithuania	High	Belt and Road economy.
Moldova	High	Belt and Road economy.
Montenegro	High	Belt and Road economy.
Poland	High	Belt and Road economy.
Serbia	High	Belt and Road economy.
Slovakia	Low	Belt and Road economy.
Slovenia	High	Belt and Road economy.

Ukraine	Low	Belt and Road economy but subject to the restoration of general law and order in the country.
<u>South America</u>		
Colombia	Medium	To remove Hong Kong from the Colombian Government's tax haven list but subject to the restoration of general law and order in the country.