

AmCham Newsletter Article Cox Report

Hong Kong's export controls regime has come under intense scrutiny since the release of the bi-partisan committee report, led by Representative Christopher Cox (R-CA), containing allegations of Chinese espionage, including calls to change the SAR's trade control, currently one of the best in the world, to that of China's. On June 23, the US Senate approved legislation covering the exports of certain dual-use military technology to Hong Kong and Macau.

Any such restrictive changes to the US-SAR trade would jeopardize Hong Kong's high technology aspirations and slow projects like Cyberport, Science Park, and Electronic Services Delivery. Taken to extreme, even Pentium III computers would also be under license control.

While AmCham strongly believes that concerns on illegal transfers of sensitive US technology warrant thorough investigation and national security breaches be accountable to US law, it would be counterproductive to impose overly-restrictive controls on US high-tech exports where similar legislation is absent from US competitors, thus putting US companies at a competitive disadvantage.

To understand the full ramifications of the Cox Report on Hong Kong, AmCham is currently liaising with the relevant departments of the Hong Kong Government and US Consulate with a view to developing a Chamber position on this important issue.