



Revoking Hong Kong Economic and Trade Offices Privileges and Immunities

What are the Hong Kong Economic and Trade Offices (ETOs)?

Hong Kong Economic and Trade Offices (HKETOs) in the U.S. were founded after the handover of Hong Kong by the British to China in 1997 in order to “broaden, deepen and enrich the already strong economic, trade, investment and cultural ties between Hong Kong and the U.S.”¹ According to the official website of their D.C. office, the ETO serves two primary functions 1) to liaise with Congress and executive branch on matters related to economic engagement with Hong Kong and 2) to host cultural events like their annual film festival, “Made in Hong Kong,” and increase awareness about Hong Kong and its arts and culture. ETOs serve no consular functions, despite receiving diplomat-like privileges and immunities.

In addition to the Washington-based office, the ETOs have a presence in New York and San Francisco in the U.S., as well as in 14 other locations across the globe, including in Brussels, London, and Geneva, among others.

What privileges are afforded to employees of the HKETOs?

Employees of the U.S.-based HKETOs were conferred special privileges and immunities through Executive Order (E.O.) 13052 implemented on June 30, 1997. The E.O. derives these privileges from the International Organizations Immunities Act (IOIA) and Article I of the Agreement on State and Local Taxation of Foreign Employees of Public International Organizations.

Privileges and immunities include, but are not limited to, the equivalent of diplomatic immunity (which unlike diplomats, can be waived), immunity from search and seizure (including at the airport), and exemptions from customs and import taxes, as well as property taxes. These, and other privileges are extended to family members of HKETO employees and officers under the IOIA.

Why should the ETOs existence in the U.S. be questioned?

Former Secretary of State Mike Pompeo decertified Hong Kong’s special status under U.S. law on May 27, 2020, after the People’s Republic of China (PRC) announced its intent to impose the National Security Law on the people of Hong Kong. The decision meant that the Secretary deemed that Hong Kong was no longer sufficiently autonomous to merit separate treatment from the PRC under U.S. law



and triggered a series of follow-on actions to decertify its special status. Given that Hong Kong is no longer deemed as sufficiently autonomous from Beijing to merit separate treatment under U.S. law, it is questionable whether they should enjoy separate pseudo-diplomatic representation in the form of the ETOs.

Are Chinese or Hong Kong diplomats working at the HKETOs engaged in espionage?

In May 2024, British authorities arrested an individual who was working at the HKETO in London on charges of "agreeing to undertake information gathering, surveillance and acts of deception." Britain's foreign ministry further summoned the Chinese Ambassador to answer for the espionage and cyberattacks on British soil. This follows German authorities arresting an individual last month who worked at the Hong Kong Trade and Development Council in Berlin, Germany on charges of espionage. We also know that bounties have been issued to Hong Kong activists in the U.S., including remarkably a U.S. citizen and a U.S. resident, for their advocacy in the U.S. for freedom in Hong Kong.

What can be done to address the HKETOs?

The ETOs operate at the pleasure of the U.S. President. Given that Hong Kong's special status was decertified, the President could, at any time, say that the ETOs are no longer able to operate as Hong Kong government entities distinct from the PRC. At a minimum, the President should revoke any special privileges and immunities granted to employees of the U.S.-based ETOs and their family members. Should Hong Kong's special status be recertified in the future, the Hong Kong ETOs, and their special immunities and privileges, could be reinstated. The U.S. should also look for any other organizations and entities that Hong Kong authorities are exploiting that expand CCP influence in the U.S.

Currently in the Senate and the House, the *Hong Kong Economic and Trade Office Certification Act* (H.R. 1103; S. 490) requires the President to certify annually whether HKETOs should merit certain privileges and immunities. If the President certifies that they should not within 30 days after the date of the enactment of this Act, then they must terminate operations in the U.S. The bill passed both houses' foreign affairs committees last year and is waiting to be discussed on the floor.

ⁱ Hong Kong Economic and Trade Office, Washington, D.C., "About Us", <https://www.hketowashington.gov.hk/about-us.html>.