

HONG KONG FILES

HONG KONG
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2015 Hong Kong Policy Address unveiled by Chief Executive

Hong Kong SAR Chief Executive C Y Leung delivered this year's Policy Address on January 14, offering measures to uphold the rule of law, seize the opportunities, make the right choices, pursue democracy, boost the economy and improve people's livelihood.

Mr C Y Leung said, "Hong Kong is a society that upholds the rule of law. Provided we act in accordance with the law, capitalise on our opportunities and make choices with courage, we will be able to pursue democracy, boost the economy and improve people's livelihood."

"Hong Kong is blessed with the unique advantages of both 'One Country' and 'Two Systems'. As part of China, we benefit from the rapid development of and enjoy preferential treatments from our country."

Major initiatives in the Policy Address include:

- Strong commitment to creating more land for housing as well as commercial development. Target of 480 000 units over the next decade;
- A HK\$5 billion injection into the Innovation and Technology Fund to better support private sector R&D in Hong Kong (HK);
- Actively work with Guangdong to develop the Free Trade Zone in Nansha, Qianhai and Hengqin; and provide input to the National 13th Five-year Plan;
- Boost the development of high-value maritime services in Hong Kong;
- Increase the number of HK Economic and Trade Offices in Asia to help business and investors tap the Asian market;
- HK\$100 million to upgrade training in the construction industry to meet industry needs;
- Enhance labour importation schemes for the construction industry;



The Chief Executive, Mr C Y Leung, explains his Policy Address at a press conference.

- HK\$300 million for a Youth Development Fund to support innovative youth development activities, including helping young people start a business;
- Start advance works for the new multi-purpose stadium at Kai Tak and start construction in 2017;

On population policy:

- Extend the service of civil servants and encourage the private sector to extend working life of employees;
- Take a pro-active approach to attract talent and professionals from outside Hong Kong;
- Refine the General Employment Policy, Quality Migrant Admission Scheme and Admission Scheme for Mainland Talents and Professionals; introduce a pilot scheme to attract the second generation of Chinese HK permanent residents to return;
- Study the drawing up of a talent list to attract talent in a more focused way;

On environment:

- Improve air quality by requiring vessels at berth in HK to use low-sulfur diesel fuel;
- Set up a Recycling Fund to support the recycling industry; and
- Encourage and provide venues for water sport activities in the waters around HK, including Victoria Harbour, Kowloon West, Wan Chai and Central.

FS: HK Budget aims to reinforce long-term economic development

The Financial Secretary of the Hong Kong SAR Government, Mr John C Tsang, delivered his Budget on February 25, 2015. He projected that Hong Kong's economy would grow 1-3 % in 2015.

"I am glad to see that Hong Kong people do cherish our fine tradition of the rule of law. Diversity, openness, peace and freedom are not only our core values, but also the foundations of our success, and the most reliable co-ordinates of our development path. We seek to reinforce the foundation for long-term economic development," he said.

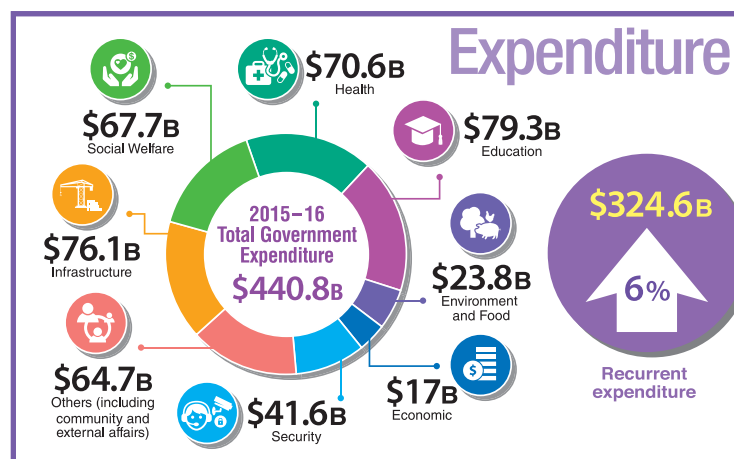
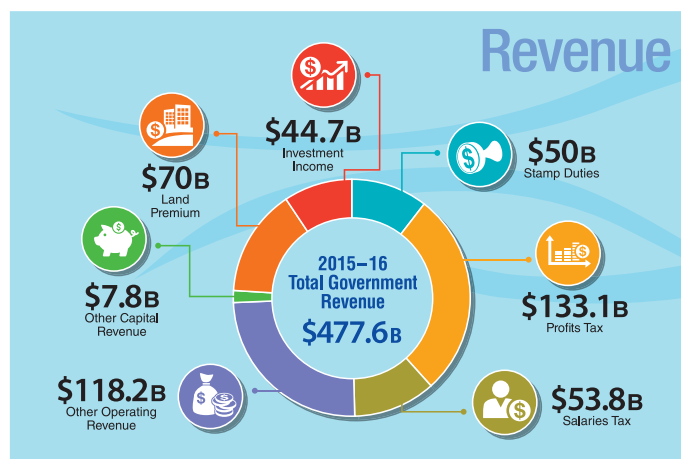
Mr Tsang has pledged to explore new ideas and strived for diversity to help Hong Kong people realise their aspirations in the 2015-16 Budget. The Budget includes measures to diversify Hong Kong's economy, enhance manpower training, nurture start-ups and social enterprises, boost creative industries and expand tourism facilities, as well as initiatives to enhance education, healthcare, housing and infrastructure.



The Financial Secretary, Mr John C Tsang, explains the 2015-16 Budget at "The Financial Secretary's Budget Phone-in".

Highlights are (in HKD):

Economy	
2014 Performance	2015 Forecast
2.3%	GDP growth 1%~3%
4.4%	Headline inflation 3.5%
3.5%	Underlying inflation 3%



Human Resources



From 15/16 academic year, subsidise 1 000 students per cohort to pursue designated self-financing degree programmes (\$960M)



Nurture talent for insurance and wealth management services, including those working in middle and back offices (\$100M)



Support Construction Industry Council to train more skilled workers (\$100M)

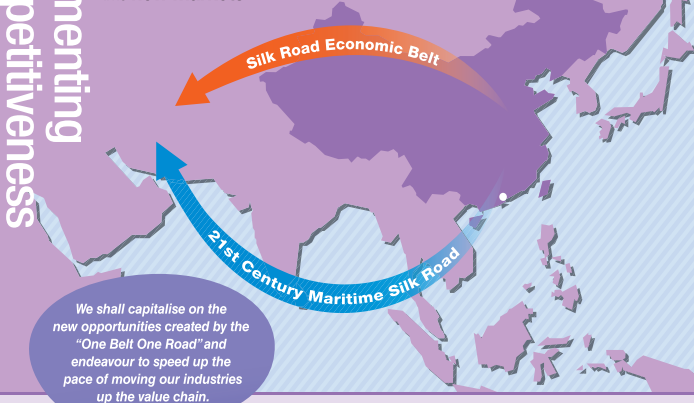


Increase government internship places to 3 000; provide 250 places under the ASEAN internship scheme

The Government has been devoting substantial resources to improving the quality of manpower.

Augmenting Competitiveness

Seize the opportunities created by "One Belt One Road" and expand into new markets



Expand tourism facilities

Start discussion on Phase 2 development of the Hong Kong Disneyland Resort
Explore building a convention centre above the Exhibition Station
Make available for sale hotel sites adjacent to the Kai Tak Cruise Terminal

Enhance business and professional services

Promote the liberalisation of trade in services between Hong Kong and Guangdong
Provide intellectual property consultation services and manpower training to SMEs

Strengthen financial hub status

Promote the launch of Shenzhen-Hong Kong Stock Connect and enhance the Shanghai-Hong Kong Stock Connect
Attract more corporate treasury centres to Hong Kong
Launch another iBond issue of up to \$10B

Reinforce logistics hub status

Support the development of a three-runway system
Promote e-commerce and examine the feasibility of using electronic letters of credit

Diversified Development

Nurture Startup ecosystem

Many entrepreneurs started their business without much experience, technology or capital, but their flexibility and market acumen have opened up new opportunities.

Science Park to set up a co-investment matching fund (\$50M)
Mortgage Corporation to expand and enhance the Microfinance Scheme
Government to set up a steering group to study financial technology

With business models that balance economic and other social values, social enterprises mark the maturing of our society.

Roll out a new phase of the Enhancing Self-Reliance Through District Partnership Programme (\$150M)

Boost Creative industries

Diversified and dynamic, Hong Kong boasts a melting pot of cultures with a blooming talent pool in the cultural and creative sectors. We will strive to create an atmosphere that inspires creativity.

Inject a further \$400M into the CreateSmart Initiative
Deploy \$500M to promote Hong Kong's fashion designers and brands
Inject a further \$200M into Film Development Fund
Launch a \$300M matching fund to support local arts groups

Promote Social enterprises

ASEAN Internship for University Students of Hong Kong Scheme

Young people are the future of our society. The Chief Executive has mentioned a number of times in his Policy Address that manpower is Hong Kong's most treasured asset. Nurturing the next generation is also mentioned by the Financial Secretary, Mr John C Tsang, in his 2015-16 Budget. Exploring opportunities for and fostering the full development of our young people have always been on the HKETO's agenda. It has been working on initiatives for young people to broaden their horizons from time to time through internship schemes and youth exchanges programmes.

Last year, the HKETO started to arrange internships in ASEAN countries with a view to broadening the international horizons of university students of Hong Kong and enhance their understanding of ASEAN countries, which are increasingly important trading partners of Hong Kong and a rapidly growing region attracting the focus of the world.

The internship scheme aims to provide opportunities for students of higher education institutions in Hong Kong to take up summer internships in ASEAN countries. The 2014-15 inaugural round of the scheme saw some 90 students taking up internships in seven of the ten ASEAN countries.

In 2015-16, more than 250 internship places for this upcoming summer will be provided by host organisations in 9 ASEAN countries for participating universities in Hong Kong.

The Director of the HKETO, Mr Fong Ngai, said, "we have good trade partners and business experts here. I am pleased to see that the exposure of working in a foreign culture for some two months will provide an opportunity for young people of Hong Kong to expand their horizons and to look beyond their own domestic issues."

Meet-the-Student sessions

Besides, the HKETO has made efforts in reaching out to Hong Kong students on exchange in Singapore and other ASEAN countries and approaching universities and youth associations to conduct exchanges programmes. Recently, two delegations from the City University of Hong Kong and the Commission on Youth have visited the HKETO.



Photo shows the City University of Hong Kong Student Delegation in a group photo with the Director of the HKETO, Mr Fong Ngai (middle, second row), after an exchange session on the HKETO's role and their observations about the differences in city developments between Hong Kong and Singapore.



The Commission on Youth delegates pose in a group photo after an exchange session with Mr Fong Ngai on the economic outlook of ASEAN economies and the potential opportunities for Hong Kong young people.

Winter Internship at HKETO

The HKETO during the 2014 winter offered four intern places for our Hong Kong university students. They joined the HKETO for a one-month internship.



They are (from left): Stacey, Thomas, Ken and Francis. They shared their thoughts after the 1-month internship.

Let's hear what they say.....

Stacey:

"I am so glad that I have this precious chance to work as a winter intern in the HKETO. I have learnt a lot and I really enjoyed the life in Singapore. And I will definitely invite my friends to join this internship programme."

Thomas:

"I am so pleased to have such an opportunity to get hands-on experience in working as an intern in the HKSAR Government. My colleagues are all more than willing to guide me and share their observations with me. This experience does mean a lot to my future career plan. I think working in the HKETO is not merely an internship, but also a memorable and valuable experience."

Ken:

"It is a fruitful experience to work in Singapore. During the internship, I worked with the trade relations team. It allowed me to learn more about the bilateral relations between Hong Kong and ASEAN. Besides, I also took the advantage of experiencing the culture of Singapore and interacting with local people during my one month's stay in the Lion City."

Francis:

"My internship has equipped me with an international outlook and broadened my horizons. Having joined the programme, I have greater exposure in different organisations. I value this experience a lot."

SCED attended Asia-Pacific Conference of German Business in Vietnam

The Secretary for Commerce and Economic Development, Mr Gregory So, attended the 14th Asia-Pacific Conference of German Business in Ho Chi Minh City, Vietnam, on November 21, 2014. The theme of the Conference was “Understanding Trends and Perspectives.”

Mr So held a bilateral meeting with German Vice Chancellor and Federal Minister for Economic Affairs & Energy Sigmar Gabriel, and met Vietnam’s Minister of Industry and Trade Vu Huy Hoang. He also paid a courtesy call on Chinese Consul-General Chai Wenrui.

Mr So later officiated at the signing ceremony of the Agreement of Co-operation between the Hong Kong-Vietnam Chamber of Commerce and the Vietnam Chamber of Commerce and Industry. He also met with representatives of the Hong Kong Business Association Vietnam.

He visited a coffee factory owned by a Hong Kong enterprise in Ho Chi Minh City to learn about its operation and business, and exchanged views with the factory’s management to understand more about the business opportunities in Vietnam for Hong Kong companies.

The Secretary for Commerce and Economic Development, Mr Gregory So (second right), speaks at the Ministers’ Panel of the 14th Asia-Pacific Conference of German Business in Ho Chi Minh City, Vietnam. He discusses issues concerning the development of the world economy, the importance of maintaining a level playing field and sustainable development.



During the visit in Kuala Lumpur, Professor Cheung (second right) and the delegation meet with Dato’ Sri Mustapa Mohamed, Minister of International Trade and Industry of Malaysia (first right).



STH led delegation to promote HK logistics services in Malaysia

The Secretary for Transport and Housing, Professor Anthony Cheung Bing-leung, led a delegation comprising members of the Hong Kong Logistics Development Council and the Hong Kong Port Development Council from December 3 – 5 to promote Hong Kong as a regional logistics hub and visit the port, aviation and logistics facilities there.

During their stay in Kuala Lumpur, the delegation met with Minister of International Trade and Industry, Dato’

Sri Mustapa Mohamed; and officials of the Ministry of Transport. They attended a seminar co-organised by the HKETO and the Hong Kong Trade Development to exchange views on the development of port and logistics industry.

The delegation also visited the cargo centre at the Kuala Lumpur International Airport to learn more about its air cargo security facilities. They toured the port and logistics facilities at Westports and Port Klang Free Zone in Malaysia.

SED and Deputy Prime Minister of Malaysia agreed to strengthen education ties

The Secretary for Education, Mr Eddie Ng Hak-kim, arrived in Kuala Lumpur on January 7 for a two-day duty visit to enhance bilateral communication and ties with the government and the higher education sector of Malaysia.

Mr Ng introduced to the Deputy Prime Minister cum Minister of Education (I) of Malaysia, YAB Tan Sri Dato’ Haji Muhyiddin Bin Haji Mohd Yassin; the Prime Minister of Education (II), YB Dato’ Seri Idris Bin Jusoh, and other senior officials, the latest developments of the education system and various new initiatives in Hong Kong, particularly those on higher education.

He also discussed the Hong Kong Special Administrative Region Government’s endeavours to widen students’ exposure through student exchange activities, sister school programmes and internship programmes outside Hong Kong.

Mr Ng also visited the University of Malaya, Monash University Malaysia, and Limkokwing University of Creative Technology, and met with the presidents/vice-presidents of major higher institutions in Malaysia. He delivered a speech at the University of Malaya to introduce Hong Kong’s role as a regional education hub.

The Secretary for Education, Mr Eddie Ng (left), meets Deputy Prime Minister cum Minister of Education (I) of Malaysia, YAB Tan Sri Dato’ Haji Muhyiddin Bin Haji Mohd Yassin, to strengthen academic ties between Hong Kong and Malaysia and to exchange views on education issues of common interest.



SFH attended Ministerial Meeting on Universal Health Coverage in Singapore

The Secretary for Food and Health, Dr Ko Wing-man, attended the Ministerial Meeting on Universal Health Coverage held on February 10 and 11.

Under the theme “The Post-2015 Challenge”, the two-day meeting was organised by the Singapore Government to provide a platform for health officials and academics to exchange views on various topics concerning universal health coverage and future challenges.

Dr Ko spoke on the prevention and control of non-communicable diseases at a panel session; and shared his views on the way forward for universal health coverage in Hong Kong at a subsequent ministerial roundtable forum.

The Secretary for Food and Health, Dr Ko Wing-man (first left), attends the Ministerial Meeting on Universal Health Coverage in Singapore; and speaks on Hong Kong's experience in handling public health challenges at a panel session of the meeting.



BUSINESS ASSOCIATIONS

Launching ceremony of HK-Malaysia Business Association

Mr Fong (centre); the President of the Hong Kong-Malaysia Business Association, Mr Dixon Chew (fourth right); the Regional Director, Southeast Asia and India, of the Hong Kong Trade Development Council, Ms Dannie Chiu (third right); and other guests at the Launching Ceremony of the Hong Kong-Malaysia Business Association.



The Director of HKETO, Mr Fong Ngai, officiated and spoke at the launching ceremony of the Hong Kong-Malaysia Business Association (HKMBA) in Kuala Lumpur, Malaysia on November 6, 2014. Mr Fong said Malaysia and Hong Kong had long been important and close trading partners and that Hong Kong's strengths as an international financial centre and services hub had made it an ideal portal between Malaysia and the Mainland of China. Facilitated by the Hong Kong Trade Development Council, the HKMBA was set up to promote networking and widen business opportunities for businesses in Hong Kong and Malaysia.

There are currently 8 Hong Kong business associations in ASEAN. They are: Hong Kong Singapore Business Association; Thai-Hong Kong Trade Association; Thailand-Hong Kong Business Council; Hong Kong-Malaysia Business Association; Hong Kong Chamber of Commerce of the Philippines Inc.; Hong Kong Business Association Vietnam; The China Hong Kong and Macau Expatriate and Business Association of Cambodia; and the Indonesia-Hong Kong Business Association. The expanding network of Hong Kong-related business associations demonstrates the strong role that Hong Kong is playing and will continue to play in regional economic integration.

First induction celebration of HK Chamber of Commerce of the Philippines Inc in Manila

The Director of HKETO, Mr Fong Ngai, was invited to officiate at the first induction celebration of the Hong Kong Chamber of Commerce of the Philippines Inc (HKCCPI) in Manila, the Philippines on November 26, 2014. Mr Fong highlighted that Hong Kong and the Philippines had entered a new page of bilateral relations and both places enjoyed high complementarity in the areas of trade and investment. The HKCCPI, which boasts a membership of close to 300, has been set up to promote mutual interests between the Philippines and Hong Kong.

Mr Fong (front row, fourth left) passes the seal to the President of the Hong Kong Chamber of Commerce of the Philippines Inc, Mr Tan Tian Siong (front row fourth right), at the celebration. The setting up of the association helps promote bilateral ties between Hong Kong and the Philippines.



Luncheon talk by Thailand-HK Business Council

The Director of HKETO, Mr Fong Ngai, delivered a keynote speech entitled “Hong Kong – A City Keeps on Evolving” at a luncheon talk on January 23 organised by the Thailand-Hong Kong Business Council (THBC), attended by some 60 council members. In the speech, Mr Fong Ngai briefed the members on the latest economic and political development of Hong Kong. He highlighted the city’s fundamentals in attracting businesses, including trade freedom, investment

freedom, financial freedom, a transparent regulatory environment and a competitive tax regime. The speech also covered the Policy Address’ initiatives on promoting different industries, including professional services, high value-added maritime services as well as cultural and creative industries. He also took the opportunity to provide an update on the latest constitutional development in Hong Kong.

HKBAV’s 15th Anniversary Dinner

The Director of HKETO, Mr Fong Ngai, was invited to give a speech at the Hong Kong Business Association Vietnam’s 15th Anniversary Dinner on December 17. The speech touched on the peaceful and orderly clearance of the protest sites which ended the Occupy Movement. He stressed that the Government would continue to press ahead with constitutional development by garnering the support of the people and the legislators, which would give 5 million Hong Kong people the right to vote for the Chief Executive in 2017.



The Director of HKETO, Mr Fong Ngai (centre), cuts the cake with the Chairman of HKBAV, Mr Michael Chiu (right), and its Honorary Chairman, Mr Lo Kwok Luen (left), at the dinner.

EXCHANGES WITH INTERLOCUTORS

Exchanges with visiting Hong Kong design industry members

The Director of HKETO, Mr Fong Ngai, on March 11, received a delegation of the Hong Kong Federation of Design Associations (FHKDA) on a five-day expedition to Singapore.

Mr Fong said he was glad to see the efforts of the FHKDA in seeking closer partnerships with industry members in ASEAN. The Hong Kong-ASEAN Free Trade Agreement being negotiated would further enhance economic integration and trade growth in the region, he added.



The Director of HKETO, Mr Fong Ngai (second left), briefs delegates from various Hong Kong design associations on the HKETO’s role and work, the economic outlook of ASEAN economies, and the potential business opportunities in ASEAN for Hong Kong design industry players.

Updates on HK to think-tanks in Singapore

The Director of HKETO, Mr Fong Ngai, was invited by **The Singapore Institute of International Affairs**, the oldest independent think-tank in Singapore, on December 9 to share with its corporate members, mostly prominent businessmen, Hong Kong’s constitutional reform and the latest development of the Occupy Movement.

Mr Fong was also invited to address corporate associates and academia of the **Institute of Policy Studies of the Lee Kuan Yew School of Public Policy of the National University of Singapore** on January 19. He shared that the Government had launched the second-phase public consultation to push ahead with the universal suffrage for the selection of the Chief Executive in 2017. He also said that there had been so far no significant impact on the confidence of foreign investments from South East Asia into Hong Kong.



HK Movie Night in Thailand 2015

The HKETO, in collaboration with the Hong Kong Trade Development Council (HKTDC) and the Hong Kong Tourism Board (HKTB), presented the premiere of “Kung Fu Jungle” starring Donnie Yen to a Thai audience at the Hong Kong Movie Night in Bangkok on January 23.

The premiere was officiated by the HKETO Director, Mr Fong Ngai (centre) and Mrs Fong (second left); together with the Chinese Ambassador to Thailand, Mr Ning Fukui (second right); the Regional Director of the Southeast Asia and India of HKTDC, Ms Dannie Chiu (first left); and the HKTB Representative in Thailand, Mr Pote Sakuntalak (first right).



About 290 guests from the government, cultural, business and media sectors attended the screening. At the reception before the screening, Mr Fong gave welcoming remarks to the guests and the local media, highlighting the Policy Address' initiatives in strengthening the development of film industry. To further enhance the image of Hong Kong, a newly-released 2-min video promotional clip by HKTB, “The Sounds of Hong Kong”, was also shown to the audience before the screening of the movie.

Mr Fong (right) and Ambassador Ning admire Hong Kong's giant ferris wheel, overlooking the iconic Victoria Harbour in Central. The new, 60-metre city icon has 42 carriages, each holding eight people. The 15-minute ride, spinning night and day, offers splendid views of Hong Kong.



HKETO presents Hong Kong Arts Festival talents at CNY reception 2015

The HKETO, in collaboration with the Hong Kong Tourism Board and the Hong Kong Trade Development Council, presented chorus performances by 16 artists from the Hong Kong Arts Festival to some 280 guests in Singapore at its Chinese New Year Reception on February 13 at the Victoria Theatre in Singapore.



At the reception, the performers, who dressed as guests, emerged from the guests, perform six pieces of music.

The Director of HKETO, Mr Fong Ngai, said in his welcoming remarks that Hong Kong is a vibrant art hub in the region and that the HKETO is always prepared to support youth development and exchanges programmes to help budding artists to develop their artistic career, build audience base and promote arts education. Hong Kong flourishes more than 1,000 arts groups, more than 8,000 performing arts performances every year with an annual audience of over 3 million. Some 5 million visitors are attracted to the 20 museums in Hong Kong annually.

BBQ Gathering

On December 12, the Director of HKETO, Mr Fong Ngai, hosted a barbeque gathering at his residence for over 50 key interlocutors from Singapore Government, diplomatic corps, international organisations, think tanks, academia and arts groups to establish and renew ties with them during the festive season.



Mr Fong (right) shares fun and joy of HKETO's work in ASEAN with attending guests at the BBQ get-together.

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