

Press Releases

Speech by CE at 9th World Chinese Economic Summit 2017 opening ceremony (English only) (with photos/video)

Following is the speech by the Chief Executive, Mrs Carrie Lam, at the opening ceremony of the 9th World Chinese Economic Summit 2017 today (November 13):

Tan Sri Dr Michael Yeoh (Chairman of the World Chinese Economic Summit (WCES) and Chief Executive Officer of the Asian Strategy and Leadership Institute), Vincent (Co-chairman of WCES and Chairman of the Hong Kong Trade Development Council, Mr Vincent Lo), Jonathan (Co-chairman of WCES and Chairman of the Chinese General Chamber of Commerce, Dr Jonathan Choi), the Honourable C Y Leung (Vice-Chairman of the National Committee of the Chinese People's Political Consultative Conference), Tan Sri Dr Jeffrey Cheah (Chairman of the Asian Strategy and Leadership Institute), distinguished guests, ladies and gentlemen,

Good morning.

It is my pleasure to join you today at the opening of the 9th World Chinese Economic Summit. A warm welcome to all of you, especially those travelling all the way to Hong Kong for the Summit. My gratitude to the Asian Strategy and Leadership Institute for organising this year's Summit in Hong Kong, an auspicious year as we celebrate the 20th anniversary of the establishment of the Hong Kong Special Administrative Region. I am pleased that the HKSAR Government is one of the supporting organisations.

The World Chinese Economic Summit is a flagship event created by the Asian Strategy and Leadership Institute with a view to enhancing connectivity and business linkages between China and Southeast Asia, as well as China and Europe. It is most timely for this Summit to take place in Hong Kong as just yesterday, Hong Kong signed a Free Trade Agreement (FTA) and related Investment Agreement with the 10 member states of the Association of Southeast Asian Nations (ASEAN). This is an important milestone in the bilateral trade and investment relations between Hong Kong, China and ASEAN, which today is our second largest merchandise trading partner and the fourth largest in services trade. The Agreements are significant and comprehensive and will bring about new business opportunities and boost our trade and investment ties through legal certainty, better market access, and co-operation in capacity building and technical assistance. I notice that this year, the Summit's theme is "Managing Global Uncertainty: Exploring New Opportunities". Deeper and broader economic integration as well as renewed commitment for free and open trade are, in my view, a pertinent response and approach that economies should take in managing global uncertainty and exploring new opportunities.

The global economy, as we speak, is full of uncertainties. We see an increasing trend in protectionism or nationalism - with the United States withdrawing from the Trans-Pacific Partnership, and Britons voting to exit the European Union - all these have an impact on the global picture. Nevertheless, in the midst of all these uncertainties, I am pleased to say that at the 25th APEC Economic Leaders' Meeting held in Da Nang, Vietnam, two days ago, leaders of APEC have recommitted to the common purpose, that is, to foster a shared future of a peaceful, sustainable economic growth and prosperity in the Asia-Pacific region and reaffirmed the aspirations towards balanced, inclusive, sustainable, innovative and secure growth in the APEC region.

Clearly, the world economy is in dire need of a new and strong

driving force. I believe the Belt and Road Initiative, which a couple of speakers have touched upon, spanning across Asia, Europe and Africa, covering around three-quarters of the world's land mass and almost 60 per cent of the world population, can be that much-needed force, through encouraging closer economic, infrastructural and cultural connectivity to achieve common prosperity. As President Xi Jinping said in his keynote address at the APEC CEO Summit in Da Nang last week, the Belt and Road Initiative is from China, but it belongs to the world; it is rooted in history, but oriented towards the future.

The Belt and Road Initiative is essentially about building connections, in terms of enhancing policy co-ordination, strengthening infrastructural facilities connectivity, facilitating trade and investment, deepening financial integration and building people-to-people bond. With our distinctive advantage under "one country, two systems", Hong Kong is the right place to bring together all those who would like to contribute to, and benefit from this Initiative.

Indeed, Hong Kong is adept at building connections. Our economy has been consistently recognised as the freest and most competitive by the Heritage Foundation and the International Institute for Management Development. The Hong Kong community is also among the most receptive of different cultures and values, and our boundaries are open for people from all over the world to come in and out for work, study or leisure. Our long history of openness has connected us to various places in the world, and as a gateway to China.

These unique strengths and core competencies aside, the HKSAR Government must advance with the trend of times, live up to our responsibility and connect with various parties in order to seize those many opportunities coming our way. Therefore, both in my Election Manifesto and my maiden Policy Address delivered a month ago, I pledge that the Government will play the additional roles of a "facilitator" and a "promoter", display determination and boldness, and make timely investments.

As a significant action in driving the Belt and Road Initiative, we hosted the second Belt and Road Summit in September this year together with the Hong Kong Trade Development Council, under the theme "From Vision to Action". It attracted over 3 000 participants, including senior government officials and top business executives from economies along and beyond the Belt and Road to explore opportunities being brought by this Initiative. The business matching sessions of the Summit highlighted investment opportunities in transport and logistics infrastructure, energy, natural resources and public utilities, and urban development. Over 170 investment projects were featured through project presentations and networking sessions with more than 600 participants. In addition, one-to-one business matching meetings were arranged for more than 200 project owners, investors and service providers.

As transpired from the discussions at the Belt and Road Summit, as well as our engagement with various economies and stakeholders, it is clear that there are four key areas which Hong Kong can offer to the Belt and Road Initiative.

First of all, behind the investment in the Belt and Road, a variety of professional services are required to turn plans into reality. The Belt and Road Initiative generates immense need for professional services ranging from investment and risk assessment, research, insurance, accounting, legal services to arbitration services. Hong Kong's professionals are highly regarded not only for their expertise and competence, but also for their professional ethics and global connection. Therefore, Hong Kong's professionals are excellent guiding partners for anyone whose business is to venture into the Belt and Road. Indeed, these professional services

sectors now represent new economic drivers for Hong Kong and are essential to the Belt and Road vision.

Secondly, as an international business and financial hub, Hong Kong is well positioned to finance the massive infrastructure projects along the Belt and Road. We top global ranking in fundraising in initial public offerings, and offer syndicated loans, private equity funds, bonds, sukuk, etc. We are also Asia's centre of asset and risk management, insurance and re-insurance, and corporate treasury services. Hong Kong is well placed to meet the rising demand for fundraising and financial management services for the Belt and Road projects.

Thirdly, we can promote co-operation among Belt and Road countries through our global connections. Hong Kong is a vibrant civil society embracing people from different cultures and backgrounds, who have strong bonds with their overseas root. It is common to find businesses, chambers of commerce, professional bodies, youth and other social groups as well as individuals having extensive and amicable networks overseas. Such networks are our invaluable social capital.

On a government-to-government level, we regularly visit different countries, including those along the Belt and Road, to reinforce links and explore new grounds for co-operation. In fact, since taking office in July this year, I have already visited five countries, and our role to contribute to the Belt and Road Initiative is always the key message that I emphasise. We will continue our efforts in connecting and deepening our external relationship. We will also make good use of our connections to cultivate more exchanges among countries along the Belt and Road, be they cultural, academic or other exchanges, so as to foster people-to-people bond.

Last but not least, Hong Kong serves as a vital trading hub connecting Mainland China to other Belt and Road countries. We are the world's sixth largest exporter of merchandise trade, the 15th largest exporter of commercial services, and the seventh largest trading entity in the world.

We believe that deeper economic integration and stronger ties among the Belt and Road countries will not only facilitate economic growth and job creation, but also promote innovation through healthy competition, which will in turn be beneficial to the development of all parties involved.

To give the business community a better grasp of the Belt and Road Initiative, we are in discussion with the Central Authorities with the aim of entering into an agreement of Hong Kong's full participation in this Initiative with the National Development and Reform Commission by the end of this year. The agreement will cover various areas such as finance, infrastructure, economic and trade facilitation, people-to-people bonds, project interfacing, dispute resolution as well as the Guangdong-Hong Kong-Macao Bay Area development.

In case there is anyone here who is not familiar with the Bay Area development I just mentioned, it is a strategic development plan covering Hong Kong, Macau and nine cities in Guangdong Province including Shenzhen, Zhuhai and Guangzhou. With a total population of more than 66 million and an aggregate gross domestic product of over US\$1.3 trillion, the Bay Area compares favourably with Australia or the Republic of Korea.

With the development plan in place, the Bay Area will provide a blueprint for building a world-class city cluster through complementary co-operation among Guangdong, Hong Kong and Macau. We will actively participate in the Bay Area development, so as to create favourable conditions for diversifying our industries, in

particular for promoting innovation and technology.

Amidst new strategies and new actions, I reiterated at the APEC Economic Leaders' Meeting that Hong Kong is a staunch supporter of free trade, and we will continue to uphold the multilateral trading system which we believe helps create a globalised economy, whereby flow of goods, services, capital, people, knowledge and technology across borders are expedited. Hong Kong has been actively taking steps to strengthen Hong Kong's trade and economic relationships with our partners through the negotiation of the Free Trade Agreements (FTAs), Investment Promotion and Protection Agreements, as well as Comprehensive Double Taxation Agreements. The Hong Kong-ASEAN FTA is a significant milestone. My Government will spare no efforts in fostering an open economy that benefits all.

We are thankful for key players in ASEAN, including the Asian Strategy and Leadership Institute, for their support and contributions to bringing these negotiations to fruition. The emergence of ASEAN, located as a strategic and key intersection of the Belt and Road, is a future driver of the regional and global economy.

We will therefore step up our engagement with ASEAN. We will expand our network of Economic and Trade Offices there, by opening a new office in Thailand, which will be our third office in ASEAN, after Singapore and Indonesia.

We have also been actively advancing trade and investment related initiatives in APEC. One of our priorities include the eventual realisation of a Free Trade Area of the Asia-Pacific (FTAAP). It is expected that the FTAAP would liberalise trade in goods and services, build on current and developing regional collaborations, and address new trade and investment issues of interest to member economies. As a supporter of free and open economy, we believe the FTAAP would enhance overall competitiveness, integration and prosperity within the APEC region. We will work closely with APEC member economies and participate actively in the relevant work plans of APEC so as to facilitate the early realisation of this initiative.

Alongside APEC, an APEC Business Advisory Council, comprising members from the private sector, is formed to give advice to APEC officials on issues of interest and concern to the business sector. Such advice has been most useful to APEC's implementation of its goal towards free and open trade and investment in the Asia Pacific region. I am thankful to members of the APEC Business Advisory Council, including Dr Jonathan Choi, who is a Co-chairman of today's Summit, for their contributions.

Ladies and gentlemen, in the coming few years, the Belt and Road Initiative and the Bay Area development will bring enormous opportunities for Hong Kong, for Mainland China and for the rest of the world. To capitalise on the opportunities, it is important that we learn and understand the political and cultural environments, business landscapes and potential areas of collaboration with different markets, especially the many emerging markets along the Belt and Road which we currently are relatively less familiar with. I am confident that events like today's Summit, which engages the collective wisdom of different sectors, can help foster a deeper understanding of these economies, and will facilitate the drawing up of strategies in seizing the opportunities ahead of us.

Before I close, I wish this World Chinese Economic Summit a huge success. For those of you joining the event from overseas, I wish you an enjoyable and fruitful stay here in Hong Kong.

Thank you very much.

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