### HONG KONG V

Hong Kong Economic and Trade Office, London



# Hong Kong's full potential "unleashed"



Above: Mr Leung delivers his second Policy Address to the Hong Kong Legislative Council in January.

n his second Policy Address, the Chief Executive of the Hong Kong Special Administrative Region, C Y Leung, said the government would focus on promoting economic development as a foundation for overcoming challenges in society and unleashing Hong Kong's full potential.

The Policy Address, delivered in January and titled "Support the Needy, Let Youth Flourish, Unleash Hong Kong's Potential", contains more than 160 new initiatives.

Mr Leung said his government was committed to alleviating poverty, caring for the elderly, supporting the disadvantaged, and enhancing the quality of public healthcare. He stressed the importance of delivering economic growth at the same time as improving people's livelihoods.

"We should capitalise on, consolidate and enhance our existing advantages, strengthen co-operation with Mainland China and overseas economies in every aspect, and foster diversity and robust growth in our industries," he said.

#### Free trade

Early in the year Hong Kong will start formal negotiations with the Association of Southeast Asian Nations (ASEAN) on a Free Trade Agreement, said Mr Leung. The Hong Kong Government will also support the establishment of a free trade zone in Guangdong, he added.

Highlighting the need for Hong Kong to develop further its position as an international financial centre including for business in Renminbi, the currency of Mainland China, he commented that the Financial Services Development Council had already submitted its first set of reports outlining how this could be achieved.

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John C Tsang, visits London
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#### Major consultation on voting reform underway



The Hong Kong Government has published the "Consultation Document on the Methods for Selecting the

Chief Executive (CE) in 2017 and for Forming the Legislative Council (LegCo) in 2016" to consult the public on the two electoral methods.

Since 2004, there have been extensive and specific discussions in the community of Hong Kong on how to amend the methods for selecting the CE and for forming the LegCo, and on issues relating to universal suffrage.

In December 2007, the Central Government adopted a decision that clearly provides a timetable for universal suffrage in Hong Kong,

i.e., the election of the CE in the year 2017 may be implemented by the method of universal suffrage; and after the CE is selected by universal suffrage, the election of the LegCo may be implemented by the method of electing all the Members by universal suffrage.

"We do not underestimate the challenges in forging a consensus and understand the complexity of constitutional development issues and the divergent views held by different sectors of the community on many of them," said Carrie Lam, Chief Secretary for Administration. "Yet, I am hopeful that with the concerted efforts and collective wisdom by all concerned, we will be able to find common ground."

For a copy of the consultation document, including details of where to send responses, please visit www.2017.gov.hk.

Above: From left to right: Rimsky Yuen, Secretary for Justice, Carrie Lam, Chief Secretary for Administration and Raymond Tam, Secretary for Constitutional and Mainland Affairs, hold copies of the consultation document at a press conference to mark the opening of the public consultation.

#### Economy

### **Financial Secretary visits London**



Financial Secretary, John C Tsang, used a recent visit to London to encourage British businesses to take advantage of Hong Kong's unique position as a trading centre in Renminbi, the currency of Mainland China.

During his three-day visit in November 2013, Mr Tsang met senior British officials including George Osborne, Chancellor of the Exchequer, and Mark Carney, Governor of the Bank of England, to discuss issues including the development of Renminbi business.

#### Competitive advantage

"Foreign firms can gain a competitive edge by developing their Renminbi portfolios because they can become more attractive partners for Mainland companies that prefer conducting international trade using their own currency," said Mr Tsang, speaking at the "Think Asia, Think Hong Kong" business seminar organised by the Hong Kong Trade

Development Council. Hong Kong banks handled

around 80% of China's offshore repayments in the first nine months of 2013, he said, adding that: "Hong Kong stands ready to assist UK companies in further promoting the use of Renminbi."

#### Trade growth

Mr Tsang highlighted the importance of trade between Britain and Hong Kong in a speech at the annual

dinner organised by the Hong Kong Trade and Development Council. The value of bilateral trade between the two places had increased by 40% to over US\$14 billion between 2003 and 2012, he said.

Mr Tsang also attended a lunch hosted by the Hong Kong Association, addressed students at London Business School and held talks with the Lord Mayor of the City of London, Alderman Fiona Woolf. (See opposite)



Above: Lord Mayor of the City of London, Alderman Fiona Woolf (left) pictured at her meeting with Mr Tsang.



Above: Chancellor of the Exchequer, George Osborne (right) meets Mr Tsang to discuss issues such as co-operation on the development of international Renminbi business.



Above: Mr Tsang delivers a keynote speech at the Hong Kong Trade Development Council annual dinner.

#### **Policy Address** continued from page 1...

For professional services, the Working Group on Professional Services under the Economic Development Commission has made proposals aimed at securing more liberalisation measures and concluding more free trade agreements. This will help the sector in Hong Kong to explore business opportunities in the Mainland and overseas, and access emerging markets and key economies.

#### Homes and hotels

Acknowledging current housing shortages, Mr Leung announced a new target of providing a total of 470,000 housing units in the next ten years. The government would also study the possibility of building more hotels and leisure and tourism facilities to take advantage of the boost to the economy from the opening of the Hong Kong-Zhuhai-Macao Bridge in 2016, he said.

Protecting the environment was also a priority, he added. As well as achieving existing Air Quality Objectives by 2020, and replacing 82,000 old diesel commercial vehicles, the government will launch a HK\$1 billion Recycling Fund to promote the sustainable development of the recycling industry, said Mr Leung.

#### Alleviating poverty

Mr Leung also announced that the government would introduce a series of measures to alleviate poverty, including the introduction of a Low-income Working Family Allowance which would benefit more than 200,000 low-income families.

Finally, Mr Leung said the government was committed to advancing constitutional development and achieving the objective of selecting the Chief Executive by universal suffrage in 2017 (see page 1).

For full details of the policy address please visit www.policyaddress.gov.hk.

#### Culture

## Young people invited to work in Hong Kong

Young people from the UK will be able to stay and work in Hong Kong for up to 12 months under an agreement signed in December 2013 between Britain and Hong Kong.

The new Working Holiday Scheme will see up to 1,000 British people a year between the ages of 18 and 30 allowed to work or follow self-financed courses in Hong Kong for one year, with similar arrangements for young people from Hong Kong wanting to work in Britain.

Hong Kong now has working holiday

schemes with New Zealand, Australia, Ireland, Germany, Japan, Canada, Korea, France and the UK – giving young people from these countries the chance to broaden their horizons and gain experience of living, working and travelling in Hong Kong.

The scheme for British young people began on 1 January 2014. For further information, please contact the Hong Kong Immigration Department on +852 824 6111, email enquiry@immd.gov.hk or visit the website www.immd.gov.hk.



Above: Secretary for Labour and Welfare, Matthew Cheung Kin-chung (right), exchanges official letters on the Working Holiday Scheme with British Consul General to Hong Kong and Macao, Caroline Wilson.

#### Business

## Start-up businesses win prizes worth HK\$2million

Three businesses from New Zealand, the US and Hong Kong have won the 2013 StartmeupHK Venture Programme competition, designed to highlight Hong Kong's potential for start-up businesses.

The winners will receive prizes worth a total of HK\$2million in the form of business advice and work space in Hong Kong for one year. The three winning companies, chosen from amongst 384 entries from 39 countries by a panel of expert judges, are:

- D'Arcy Polychrome Ltd (New Zealand) polychromatic dry granulated pigment
- Hanson Robotics (US) humanoid robot manufacturing
- Wifinity Ltd (India) IoT (Internet of Things) semiconductor

"Hong Kong is starting to ride on the global trend of start-ups, using our own unique advantages to compete with significant start-up hubs like Silicon Valley," said Secretary for Commerce and Economic Development, Gregory So, speaking at Invest HK's StartmeupHK Venture Forum in November 2013, at which the winners were announced.

#### ● ● ■ Education

#### Hong Kong is "regional education hub"



Above: UK Secretary of State for Education, Michael Gove (left) meets Mr Ng during his visit to London in January. Secretary for Education, Eddie Ng Hak-kim, highlighted Hong Kong's role as a regional hub for learning during a three day visit to London in January to attend and speak at the Education World Forum – the annual summit of education ministers from around the world.

Addressing the summit, Mr Ng stressed the importance of IT in education, pointing out that Hong Kong was now planning its fourth five-year "IT in education" strategy.

Mr Ng also met with Secretary of State for Education, Michael Gove, to exchange views on education policy and provide him with an update on latest developments in Hong Kong in education.

#### Best city for business events



Hong Kong has been voted the Best City for Business Events for the third consecutive year by readers of leading corporate events magazine. CEI Asia.

Hong Kong's conventions bureau,
Meetings and Exhibitions Hong Kong, was
also named one of the best convention
bureaus in the readers' poll, while the Hong
Kong Convention and Exhibition Centre and
AsiaWorld-Expo grabbed first and second
place in the Best Convention Centre category

"These accolades demonstrate that Hong Kong is the world's meeting place for the Meetings, Incentives, Conventions and Exhibitions industry," said Dr Peter Lam, Chairman of the Hong Kong Tourism Board.

In the first ten months of 2013 an estimated 1.3 million people came to Hong Kong for meetings, events and exhibitions. Major conventions and exhibitions held in Hong Kong during 2013 included the USANA Asia Pacific Convention, Art Basel Hong Kong, Watches and Wonders, and BlackBerry Jam Asia.

Hong Kong has also been ranked the world's freest economy by the Heritage Foundation for the 20th consecutive year since the Index of Economic Freedom was first published in 1995.

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#### International relations

## Sweden and Hong Kong develop closer ties



Above: Mr Lai (right) and Stefan Attefall, Minister for Public Administration and Housing of the Government of the Kingdom of Sweden, at the signing of the MLA.

Hong Kong and Sweden have signed an agreement on Mutual Legal Assistance in Criminal Matters (MLA) in November 2013.

"The signing of the agreement marks a further step by both governments to strengthen co-operation on criminal matters," said Secretary for Security, Lai Tung-kwok, speaking at the signing ceremony. "It also demonstrates our shared commitment to the international effort in fighting crimes."

This is the 30th agreement of its kind between Hong Kong and other governments.

#### FORTHCOMING EVENTS

Sunday, 2 February 2014
Chinese New Year
elebrations in Trafalgar Square
and Chinatown, London, UK

Thursday, 6 February 2014
Chinese New Year
reception in London, UK

Thursday, 13 February 2014 Chinese New Year reception in Moscow, Russia

Friday, 14 February 2014
Chinese New Year reception in St Petersburg, Russia

Tuesday, 18 February 2014
Chinese New Year
celebration in
Birmingham, UK

Thursday, 6 March 2014 Chinese New Year reception in Copenhagen, Denmark

#### Business of Design Week 2014

Sweden is the partner country of the Business of Design Week (BODW) to be held in December 2014 in Hong Kong. BODW is the annual flagship event organised by Hong Kong Design Centre. It is Asia's leading event for design, innovation and brands. In 2012, Denmark was the partner country of the BODW.

#### King of Sweden visits Hong Kong

King Carl XVI Gustaf of Sweden (left) visited Hong Kong in November 2013 in his capacity as Honorary Chairman of the World Scout Foundation.

Welcoming the King of Sweden, Chief Executive C Y Leung (right) said that the Scout Association of Hong Kong is the largest youth uniformed group in Hong Kong and has helped nurture many outstanding youngsters throughout the years.

Mr Leung also said that Hong Kong has been maintaining close ties with Sweden, and hoped that with more exchanges on all fronts, the bilateral relations between the two places will scale new heights.



#### **Customs agreement**

Hong Kong and Russia have agreed to collaborate more closely to tackle transnational customs offences.

The new Memorandum of Understanding is a milestone in co-operation between the two customs administrations, said Commissioner of Customs and Excise, Clement Cheung.

#### Universities sign research agreement

Universities in Hong Kong and Scotland are set to work more closely on joint research projects following the signing of agreement between the Scottish Funding Council and Hong Kong's Research Grants Council.

The agreement will see researchers at leading institutions co-operating on a range of projects in areas such as energy and life sciences. Under the Joint Research Scheme established by the Research Grants Council, currently a total of nine joint research schemes with partnership involving Mainland

China, the UK, France, Germany, the Netherlands, Spain and the United States are implemented. Over 850 research projects have been supported by these schemes to date.

Witnessing the signing, Scotland's First Minister Alex Salmond said the agreement was part of Scotland's strategy to "widen and deepen our links, share our expertise and develop new partnerships with Hong Kong as we both seek to promote sustainable economic growth."



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