

Transcript of remarks by FS (with photo/video)

Following is the transcript of remarks by the Financial Secretary, Mr Paul Chan, at a media session after attending a radio programme this morning (May 18):

Reporter: Good morning Secretary. Regards to the uncertainty and the ever changing situation about the US and China trade talks and disputes, is it going forward that it is going to look worse for Hong Kong and do you think it is appropriate for you to slightly adjust our GDP growth forecast so as to better reflect the situation?

Financial Secretary: We are monitoring the situation of the US and China's trade negotiation very closely. The negotiation has been quite bumpy. Although lately there are some negative news, we do think that it is premature to adjust our GDP growth forecast for the year at this stage. We will continue to follow our practice to update this forecast in August. In the meantime, we will monitor the situation very closely and we would like to remind the public that because of these changes in sentiment in the trade negotiation, the financial market may react quite volatily. So watch out for risk, and be careful when you invest.

(Please also refer to the Chinese portion of the transcript.)



Thirty-three schools commended for meritorious green projects (with

photos)

Thirty-three schools were commended today (May 18) at a prize presentation ceremony for the Greening School Project Award held by the Leisure and Cultural Services Department (LCSD) in recognition of their meritorious green school projects and contributions to environmental greening.

The LCSD is committed to promoting greening. To enhance students' interest in and knowledge of greening, the department's Greening School Subsidy Scheme provides subsidies to schools to organise more greening activities and encourage students to plant more trees and shrubs on campuses.

Speaking at the prize presentation ceremony, the Chief Leisure Manager (Green Campaign) of the LCSD, Ms Wendy Or, said the Greening School Subsidy Scheme has been well received, with the number of participating schools increasing from over 300 in the first year to more than 880 this year. Ms Or added that the standard of green projects has also been rising. Both teachers and students have worked very hard to make their schools' environment greener and more beautiful, she said.

The Greening School Project Award is presented in seven categories. The champions are as follows:

(1) Large Garden Plot Project (Secondary School Section):
Shatin Pui Ying College

(2) Large Garden Plot Project (Primary School Section):
CCC Kei Wai Primary School (Ma Wan)

(3) Small Garden Plot Project (Secondary School Section):
Yuen Long Public Secondary School

(4) Small Garden Plot Project (Primary School Section):
Kowloon Tong School (Primary Section)

(5) Garden Plot Project (Kindergarten Section):
Po Leung Kuk Tang Bik Wan Memorial Kindergarten

(6) Tree Planting Project:
Talent Kindergarten and Nursery

(7) Horticultural Maintenance:
Shap Pat Heung Rural Committee Kung Yik She Secondary School

The list of other winners of the Greening School Project Award is available at the LCSD webpage
www.lcsd.gov.hk/tc/green/education/greeningschool/2018schoolawardlist.html.

Other officiating guests were the Chairman of the Tsuen Wan District Council, Mr Wong Wai-kit; member and Green Ambassador of the Southern District Council, Ms Judy Chan; non-official member of the Community Involvement Committee on Greening of the Development Bureau, Mr Cheung Yung-pong; the Principal Education Officer (New Territories) of the Education Bureau, Ms Cynthia Chan; and the Chairman of the Young Landscape Architects Group of the Hong Kong Institute of Landscape Architects, Mr Keith Huang.





Special traffic arrangements for race meeting in Sha Tin

Police advise motorists that special traffic arrangements will be implemented in Sha Tin to facilitate the race meeting today (May 18).

The arrangements will come into effect two hours before the start of the first race and will last until the crowds have dispersed after the race meeting.

Appropriate traffic signs will be put up and police will be on hand to guide motorists.

The Police also appeal to people going to Sha Tin Racecourse for the race meeting and to Happy Valley Racecourse for cross betting to make maximum use of public transport.

Parking spaces at the two racecourses are available only to holders of appropriate permits issued by Hong Kong Jockey Club and any vehicles illegally parked will be towed away.

Speech by SCED at APEC MRT discussion session on Advancing APEC's Regional Economic Integration Agenda (English

only)

Following is the speech by the Secretary for Commerce and Economic Development, Mr Edward Yau, at the discussion session entitled "Advancing APEC's Regional Economic Integration Agenda" of the Asia-Pacific Economic Cooperation (APEC) Ministers Responsible for Trade (MRT) Meeting in Chile today (May 17, Viña del Mar time):

I speak to echo fellow Ministers spoken before me in support of APEC's vision, action and efforts in promoting regional economic integration.

For Hong Kong, China (HKC), we are committed to the Bogor Goals of achieving free and open trade and investment in Asia Pacific by 2020, and would continue to support efforts towards deeper economic integration in the region.

Time is not on our side as the year 2020 is just around the corner. In this connection, we welcome Chile's latest proposal to focus on the unfinished business in services to give the matter a final push. Initiatives identified in that proposal are in fact those already endorsed by APEC economies. The crux is to encourage each of us to do our part to remove potential trade barriers with a sense of urgency.

I believe such actions will provide a powerful impetus for greater trade and investment liberalisation at the regional and multilateral levels.

On Free Trade Area of the Asia Pacific (FTAAP), since the establishment of APEC in 1989, APEC has grown to become a dynamic engine of economic growth and one of the most important regional forums. APEC economies are now home to around 2.9 billion people. Together, we account for more than half of the world's GDP (Gross Domestic Product) and half of the world trade, making APEC also one of the most valuable economic regions.

As a result of our work to promote cross-border movement of goods, services, investment and people in the region, economic growth in APEC has doubled over the last 30 years. Until recently, tariffs have also fallen substantially, that says that we cannot take things for granted and must continue to take concrete steps to reinforce the determination for regional economic integration and enhance openness, inclusiveness and cooperation.

Implementation of a growing number of free trade agreements (FTAs), for example, has further improved the market access conditions in APEC economies. The realisation of the FTAAP by APEC as a group is expected to increase income, welfare and trade gains for the APEC region, according to a recent study on tariffs by the Policy Support Unit.

It is incumbent upon us to maintain the momentum in achieving the goals of FTAAP. To this end, we are glad to note that member economies are on parallel tracks to conduct various work programmes and capacity building initiatives in support of the ultimate realisation of the FTAAP. We look

forward to receiving the report on APEC's concrete progress on FTAAP next year as mandated in the Lima Declaration.

While actively pursuing the long-term vision of FTAAP with all APEC members as a group, HKC and like-minded economies and supporters of WTO are also strengthening our alliances on free and open trade through the signing of free trade agreements. On top of the HKC-ASEAN FTA which will come into force on June 11, I am delighted to report that HKC has signed a FTA and an Investment Agreement with Australia just two months ago.

The two Agreements are comprehensive in scope and the commitments therein are of high quality. True to our free trade commitment, the FTA eliminates all import tariffs and opens up many service sectors for market access and treatment no less favourable than for local services. Against the prevailing uncertainties in the global economy, the two agreements, in providing transparency and predictability, give a big boost of confidence to our rules-based trading system.

Under the FTA, the two sides have also agreed not to impose customs duties on electronic transmissions, including content transmitted electronically. There are also forward-looking provisions to facilitate electronic commerce, including electronic signatures, paperless trading and protection of personal information. We have put forward text proposal on the basis of this FTA for the future WTO negotiations on trade-related aspects of electronic commerce and look forward to wider discussion on the subject.

Parallel to FTA, on Investment Protection and Promotion Agreement (IPPA), I am glad to report to this meeting that our IPPA with Chile will enter into force on July 14. We believe such bilateral pursuits of trade and investment liberalisation between individual APEC economies are also building blocks towards the realisation of FTAAP.

As APEC progresses along the timeline towards the Bogor Goals, it is equally important for us to set our vision beyond 2020 and map out the way forward.

In this connection, I feel most encouraged by the efforts made by the APEC Vision Group in developing possible recommendations, and our host's initiative to hold the "Multi-Stakeholder Dialogue on APEC Towards 2020 and Beyond" a few days ago (on May 14).

HKC welcomes the constructive discussions at the Dialogue. We stand ready to work with other APEC economies to come up with recommendations and concrete action plans for APEC's Post-2020 Vision to develop a better future for the Asia-Pacific region.

Thank you.

Speech by SCED at APEC MRT discussion session on Advancing APEC's Support for WTO (English only)

Following is the speech by the Secretary for Commerce and Economic Development, Mr Edward Yau, at the discussion session entitled "Advancing APEC's support for the WTO" of the Asia-Pacific Economic Cooperation (APEC) Ministers Responsible for Trade (MRT) Meeting in Chile today (May 17, Viña del Mar time):

I extend my appreciation to the Chairman, you yourself, and the country for hosting this Ministerial Meeting and I also admire the outside sunshine here in Viña del Mar. I must say that the global and regional trade outlook does not seem to be enjoying sunshine and in fact it looks much more gloomy than we are here today. According to WTO's (World Trade Organization) latest forecast, the growth rate of global trade will fall to 2.6 per cent this year, which is fast locking in a very worrying downward spiral against the growth rate that we had of 4.6 per cent in 2017, and that of 3 per cent in 2018.

The concerns expressed among ourselves last year at the APEC held in Papua New Guinea is still hanging around us. And our concerns, speaking from Hong Kong, China (HKC), are two-fold but they are also intertwined. Firstly, the headwind and trade disputes remain gusty with the resurrection of tariffs as a weapon of trade conflicts. This does not only bring harm to bilateral trade partners who are in dispute, but the collateral damages are actually felt by many, if not all, in this region as well.

Secondly, and in fact more importantly, is the harm being done in diminishing the role as well as the function of our multilateral trading system (MTS) (i.e. WTO), and would if not healed, create long-term pain to all of us.

HKC firmly supports a strong and effective rules-based MTS. It is of utmost importance that the conduct of international trade abides by transparent and non-discriminatory rules, and that WTO Members can settle disputes under the established mechanism of the WTO. In fact it is high time for APEC to sing in chorus to affirm our pledge to strengthening and defending the MTS. HKC stands ready to support an MRT statement signifying the strong and unwavering commitment of APEC to upholding the rules-based system.

HKC is also committed to working closely with all WTO Members to ensure that the MTS under the auspices of the WTO would continue to function well and remain relevant to the modern economy.

As many fellow Ministers said last year, the most urgent task of the WTO is to resolve the Appellate Body (AB) impasse. WTO Members should spare no

efforts in upholding the credibility and integrity of the WTO by preserving its dispute settlement mechanism. The idea echoed the voice of the DG (Director-General) of the WTO this morning. As Roberto mentioned, the deadline is real and imminent. It is imperative that constructive actions are taken to unblock the selection, lest the AB would become totally defunct by year end.

To preserve the credibility and relevance of the WTO, we also see the need to examine how to improve its functioning and to move forward with negotiating new rules that facilitate and bring positive impacts to the global trade and economic development.

Indeed, all these touch on the core pillars of the WTO. Some of them have been transformed into various WTO reform proposals. HKC appreciates the goodwill behind and is committed to working closely with all WTO Members and we stand ready to join our Canadian friends in the upcoming meeting to be held in Paris.

Looking ahead, APEC member economies can certainly join hands in playing a constructive role to support an effective rules-based MTS. Enhancing WTO notification compliance, for instance, could be a key area to look into for improving transparency. APEC should also explore ways to complement the WTO efforts in enhancing Members' capacity in fulfilling their obligations more effectively.

On this, we appreciate that Chile, the 2019 APEC host, has spearheaded discussions on actions that APEC may take to support the MTS, including hosting a retreat for Senior Officials on the topic at SOM1 (the First Senior Officials' Meeting). We look forward to similar dialogues among ministerial colleagues at this MRT.

HKC is firmly of the view that APEC with its long term standing commitment to promoting free trade and inclusive economic development, should remain a powerful engine behind the MTS. We in APEC should continue to demonstrate our collective leadership in implementing the Ministerial Decisions of, and moving forward with the multilateral trade negotiations in the WTO. In light of the uncertain global economic and trade environment, APEC's continuous and strong support for the MTS would be of utmost importance.

Thank you.