

CE unveils measures to inject impetus into Hong Kong's economy

The Chief Executive, Mrs Carrie Lam, in the Policy Address today (November 25), revealed wide-ranging strategies to make full use of the city's advantages under the "One Country, Two Systems" principle, reboot Hong Kong's economy, create new opportunities in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) and further promote innovation and technology (I&T).

"Over the past year, Hong Kong's economy has been severely hit by social unrest, the pandemic and international political situations," Mrs Lam said.

"The Government forecasts the economy to contract by 6.1 per cent in 2020."

Mrs Lam said being a highly market-oriented and an international economy underpinned by the rule of law, Hong Kong's development opportunities under the country's new development pattern featuring "dual circulation" are evident.

"Given the advantages under 'One Country, Two Systems', Hong Kong can further strengthen its 'intermediary' role in international circulation.

"We can focus on the business opportunities in the Mainland market, better integrate into the overall development of our country, take the GBA development as an entry point, and proactively become a 'participant' in domestic circulation and a 'facilitator' in international circulation.

"Playing the dual role well will bring continuous impetus to Hong Kong's economy," she said.

Earlier this month, Mrs Lam met with leaders of the Guangdong Province and Shenzhen municipality.

"We agreed to press ahead with the work in areas such as cross-boundary infrastructure development and clearance facilitation, joint development of an international I&T hub, co-operation in modern service industries, education, nurturing of talents and youth exchanges, as well as joint development of a quality living circle," Mrs Lam said.

Mrs Lam added that the Government would continue to support the consolidation and enhancement of the city's role as a global financial centre. She also announced a new "bright spot" regarding mutual access between Hong Kong and Mainland financial markets.

Mrs Lam said that the Central Government has agreed to include pre-profit biotechnology companies listed in Hong Kong under the new listing regime and stocks listed on the Mainland Sci-Tech Innovation Board meeting certain prescribed criteria into the stock universe of the mutual market access programmes.

To help develop growth opportunities overseas, Mrs Lam said Hong Kong would consolidate its position as the "prime platform and a key link" for the Belt and Road Initiative.

Although the global aviation industry has been hard hit by the pandemic, Mrs Lam expressed full confidence in Hong Kong's role as an international aviation hub.

She outlined major upcoming developments, including the commissioning of a third runway at Hong Kong International Airport in 2022 and the SKYCITY development projects to be completed in phases between 2021 and 2027.

Mrs Lam said the Government had also accepted several proposals put forward by the Airport Authority Hong Kong. They include:

- * developing automated car parks on the Hong Kong Boundary Crossing Facilities (HKBCF) Island of the Hong Kong-Zhuhai-Macao Bridge to facilitate connection to the airport;

- * taking forward the Airport City Link project connecting SKYCITY and the HKBCF Island by constructing a bridge system;

- * constructing the Hong Kong International Aviation Academy campus on the HKBCF Island; and

- * reserving part of the land parcels on the HKBCF Island for the development of air cargo logistics and related supporting facilities.

Mrs Lam emphasised the Government's commitment to promoting the development of innovation and technology in Hong Kong.

"Hong Kong has universities with strong research and development (R&D) capabilities, a pool of local and foreign talents, a fervent R&D atmosphere, as well as a thriving start-up ecosystem," Mrs Lam said.

"Hong Kong's I&T development has been very vibrant. Some even describe it as the dawn of a golden era for I&T development."

Mrs Lam highlighted growing I&T collaboration with Shenzhen, including developing the Shenzhen/Hong Kong Innovation and Technology Co-operation Zone, comprising the Shenzhen Innovation and Technology Zone (SITZ) and the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) at the Lok Ma Chau Loop.

Mrs Lam said the Governments of the two cities are exploring ways to enable institutes and enterprises, which are interested in starting their business in the Greater Bay Area, to establish a presence in the SITZ before the completion of the first batch of buildings in the HSITP.

The Hong Kong Trade Development Council (HKTDC) will facilitate cross-boundary business via a yet-to-be-launched one-stop "GoGBA" platform, as well as "Online Design Gallery" and the HKTDC's physical network in the Mainland.

To further promote smart city development, Mrs Lam said the Government will release the Smart City Blueprint for Hong Kong 2.0 next month, setting out more than 130 smart city initiatives.

The "iAM Smart" platform will also be launched in December with more than 20 frequently used public services initially.

To attract more overseas I&T talent to Hong Kong, Mrs Lam proposed launching a Global STEM Professorship Scheme for a period of five years at an estimated cost of \$2 billion.

The construction industry is another sector with potential to create jobs, Mrs Lam said, noting that average annual capital works expenditure is expected to exceed \$100 billion in the next few years.

To assist small- and medium-sized enterprises (SMEs) during the current challenging period, Mrs Lam noted that several support schemes were in place, including the "SME ReachOut" service team to provide one-stop funding consultation and referral services.

Mrs Lam said the scope of the SME Export Marketing Fund would also be expanded for two years to give further support for organisers of trade-related exhibitions.

Mrs Lam outlined plans to promote 5G technology. These include providing more 5G spectrum in different frequency bands, working with a number of public organisations to encourage the deployment of 5G technology in various sectors and facilitating the early adoption of 5G technology and application in government departments and public organisations.

To further promote the development of creative industries, Mrs Lam proposed injecting an additional \$1 billion into the CreateSmart Initiative to support such industries to adapt to the impact of the pandemic.

She also said work was under way to set up a task force to promote Art Tech, which is the integration of arts and technology.

On the promotion of LawTech, Mrs Lam said the Department of Justice will explore the development of a Hong Kong Legal Cloud, a state-of-the-art online facility equipped with advanced information security technology, to provide secure, reliable and affordable data storage services for the local legal and dispute resolution sector.

"As the overall strategy guiding economic development, the current-term Government emphasises leveraging our unique advantages under 'One Country, Two Systems', integrating proactively into national development, striving to resolve the two major bottlenecks of land and talents, and investing substantially in I&T industries," Mrs Lam said.

"At the same time, we continue to connect with the world to explore business opportunities."