

Speech by CS at US Independence Day reception (English only) (with photos/video)

Following is the speech by the Chief Secretary for Administration, Mr Matthew Cheung Kin-chung, at a reception held by the United States (US) Consulate General in Hong Kong and Macau in celebration of US Independence Day today (July 2):

Consul-General Tong (Consul-General of the US in Hong Kong and Macau, Mr Kurt Tong), ladies and gentlemen,

Good evening. I am most pleased to join you all tonight to celebrate the Independence Day of the United States of America. We are also here to pay warm tribute to the Consul General Kurt Tong, whose three-year tour in Hong Kong will end this month. Thank you, Consul General, and I wish you every success in your future endeavour.

This is also a special occasion to acknowledge the deeply rooted ties between Hong Kong and the US. Indeed, Hong Kong has always been a reliable and responsible trading partner of the US. The US enjoys its highest trade surplus with Hong Kong among all economies. The trade balance is heavily in your favour. We can let the facts speak for themselves. According to US statistics, over the past decade from 2009 to 2018, the aggregate merchandise trade surplus that the US enjoyed over Hong Kong reached a hefty US\$297 billion.

Last year, the US bilateral trade surplus in goods and services with Hong Kong was valued at US\$33.8 billion. The US was Hong Kong's second largest merchandise trading partner in the world after Mainland China, while Hong Kong was the US' 10th largest export market, its third largest market for US\$130 million worth of wine, fourth largest market for US\$1 billion of beef and beef products and seventh largest market for US\$4 billion consumer-oriented agricultural products.

Hong Kong has also been a strong and important partner to the US, as evidenced by our solid bilateral trade and economic ties and our long-standing and cordial relationship in various aspects. In particular, our strong and valuable enforcement co-operation on various fronts including counter-terrorism, money-laundering, drug-trafficking and strategic trade controls and more. Our co-operation is broad, effective and mutually beneficial.

I am most pleased to note that some 1 400 US companies have chosen Hong Kong as the base for their regional offices and regional headquarters and that about 85 000 American citizens are calling Hong Kong home. These are indeed a vote of confidence in this Asia's world city. The American Chamber of Commerce in Hong Kong is celebrating its Diamond Jubilee this year, which

is another testimony to the trust and support of our US trade and business partners for Hong Kong. As in the past, the Hong Kong Special Administrative Region (HKSAR) Government will continue to join hands with our local and international communities in good times and bad times in the years ahead.

Ladies and gentlemen, since the return to the motherland, the HKSAR has been successfully implementing the principle of "one country, two systems", "Hong Kong people administering Hong Kong" and a high degree of autonomy in strict accordance with the Basic Law.

Article 116 of the Basic Law provides that the HKSAR is a separate customs territory. Article 151 of the Basic Law further provides that Hong Kong may use the name of "Hong Kong, China" to participate in international organisations such as the World Trade Organization and the Asia-Pacific Economic Cooperation as a separate member and maintain economic and trade relationships with the other 163 members of the World Trade Organization.

Hong Kong's unique status and advantages under the "one country, two systems" – a right conferred on the HKSAR by the motherland through the Basic Law – have all along been widely recognised and respected by the international community, allowing Hong Kong to establish mutually beneficial collaboration relationships with economies around the world, including the US, at bilateral and multilateral international trade and economic levels.

Hong Kong will, as always, respect, abide by and uphold "one country, two systems" in accordance with the Basic Law to safeguard the rights of our country and the HKSAR. It is also the important cornerstone of the successful economic and trade development in the HKSAR.

Indeed, no other economy flies the flag of free trade as openly, as resolutely, as passionately as Hong Kong does. This explains why the Washington-based Heritage Foundation named Hong Kong the world's freest economy for 25 years in a row.

Third party and independent surveys by the World Economic Forum and World Bank have also pointed to the fact that the rule of law and judicial independence, which are guaranteed under the Basic Law, have been upheld in Hong Kong. These important attributes, together with low levels of corruption, high standards for public health and safety, world-class infrastructure and highly professional services, have continued to make Hong Kong a preferred platform for business and investment activities from the US.

While the HKSAR Government spares no effort in safeguarding freedoms of Hong Kong residents including freedom of speech, of the press, of assembly, of procession and of demonstration as provided under the Basic Law, we will not tolerate any act of violence that may undermine the rule of law or peace and order in Hong Kong. The HKSAR Government will continue to uphold these precious core values as in the past and will spare no effort in maintaining Hong Kong as one of the world's safest cities. As the Chief Executive stressed in her speech yesterday at the ceremony celebrating the 22nd anniversary of the establishment of the HKSAR, the Government will be more

open, accessible, communicative, responsive and accommodating to aspirations, sentiments and opinions of the community so that we can have a better feel of the public pulse in paving the way forward for Hong Kong. I have no doubt that Hong Kong will continue to thrive on the strength of our distinct qualities as a free, secure, vibrant and attractive international metropolis where people and business from around the world can connect and excel in their chosen fields.

Ladies and gentlemen, we fully understand the concern that many of you may have over the trade tensions between the US and its trading partners including Mainland China. Trade tensions and frictions, if loomed large, will not just hurt the parties involved. World trade and economic development will also suffer collateral damage. We are pleased to hear that the US and China will continue negotiations without introducing new tariffs after President Xi and President Trump met in the margin of G20 Osaka Summit in Japan last Saturday.

Hong Kong has been and will continue to be a strong partner of the US. Our existing mutually beneficial ties are attributable to the common interest and shared values between the two economies, as well as years of hard work and goodwill cultivated by people of both sides. I trust that the US sees eye to eye with us on building a stronger and closer partnership between the two economies in the years ahead.

Please join me now in a toast to the United States of America on its Independence Day.

