

## HAD's emergency hotline activated

Attention duty announcers, radio and TV stations:

Please broadcast the following as soon as possible and repeat it at suitable intervals:

Following the issuing of Tropical Cyclone Warning Signal No. 3, the Home Affairs Department has activated a round-the-clock hotline, 2835 1473, for public enquiries on the tropical cyclone.

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## Care centres remain open

Attention duty announcers, radio and TV stations:

Please broadcast the following special announcement immediately, and repeat it at frequent intervals:

"The Social Welfare Department has announced that while Tropical Cyclone Warning Signal No. 3 has been issued, all child care centres, centres providing after school care programmes, elderly services centres and day rehabilitation units, including sheltered workshops, integrated vocational rehabilitation services centres and day activity centres, remain open. However, if necessary, members of the public can contact the centres to make arrangements for the safe return home of their children and family members."

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## Transcript of remarks by SEN

â€œFollowing is the transcript of remarks by the Secretary for the Environment, Mr Wong Kam-sing, on municipal solid waste (MSW) charging after attending radio programmes this morning (November 1):

Reporter: Mr Wong, many people have expressed concerns about the increase in fly-tipping or illegal dumping once this waste charging scheme is implemented. How are you going to give the public confidence that this problem will be tackled and do you think there is a need to have better integration between the FEHD and the EPD to solve this problem?

Secretary for the Environment: As I said earlier, public education is the priority. Before the implementation of MSW charging, we will reach different

key stakeholders through various means, including public education, community support and our outreaching teams. We will communicate with them so that they can understand more about MSW charging and do more on clean recycling. Certainly, we will adjust our resources to suit the enforcement plan in the future. Meanwhile, emphasis should be placed on publicity and education first.

Reporter: But is there enough co-operation between the EPD and the FEHD on this matter? Do you think there is a need to have a waste authority as suggested by some green groups?

Secretary for the Environment: As mentioned in our brief to the Legislative Council on MSW charging, in the future, we will set up an office to strengthen the collaboration among different departments in relations to this issue.

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

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## **Speech by CE at Opening Session of "Think Global, Think Hong Kong" Symposium (English only)**

Following is the speech by the Chief Executive, Mrs Carrie Lam, at the Opening Session of the "Think Global, Think Hong Kong" Symposium in Tokyo today (November 1):

Mr Yoshihiro Seki (Minister of Economy, Trade and Industry of Japan), Vincent (Chairman of the Hong Kong Trade Development Council, Mr Vincent Lo), distinguished guests, ladies and gentlemen,

Good morning. It gives me great pleasure to extend my warm welcome to you all to this "Think Global, Think Hong Kong" symposium organised by the Hong Kong Trade Development Council during my first official visit to Japan as the Chief Executive of the Hong Kong Special Administrative Region.

Of course this is by no means my first visit to Japan – I have been here many times in both official and private capacities. But this time, I am honoured to be the guest of the Japanese Government on the kind invitation of Mr Taro Kono, the Minister of Foreign Affairs, after his visit to Hong Kong earlier this year. I am pleased to see my official visit taking place shortly after Prime Minister Shinzo Abe's very successful visit to China. I am thrilled that I am going to participate in an extended week of events that our Hong Kong Economic and Trade Office in Tokyo has organised to showcase the great diversity of Hong Kong, leveraging on our already deep ties of

commerce, cultural and educational exchange, creativity and mutual inspiration. I hope you would all have the chance to participate in some of the events, to find new insight, new friendships and new opportunities.

"Think Global, Think Hong Kong" is the mega promotional event organised by the Hong Kong Trade Development Council in major cities. I would like to thank the Council for bringing this event back to Japan this year. We were last in Tokyo and Osaka in 2012. Six years on, it is very timely to be back.

I say timely for at least three reasons. First, like many economies around the world, Hong Kong and Japan inevitably encounter uncertainties over the international trade agenda and economic prospects that have arisen over the past year, rendering trusting and reliable partnerships all the more important at this juncture, to help our trades weather the storm and conflicts.

Second, we both face the challenge set out in the report of the International Committee on Climate Change launched in Incheon earlier this month of how to reconfigure our energy, business and trading systems rapidly if we are to give our children a habitable and hopeful future. Japan has been hit by the horrific storms and unusual weather patterns earlier this year. Our hearts go to those who have suffered. Our minds must now be joined in our best endeavours to transform our economies so that they would work more in tune with our planet and our people.

Third, both our communities face the demographic challenge of ageing population. Again, this demands innovation and creativity in our economies and social systems to provide to our elderly the dignity and support they need.

Any one of these three challenges alone would already be substantial. Together they represent a seriously daunting task that demands great determination, innovation and co-operation if we are to successfully conquer it. Happily, Hong Kong and Japan already have a strong basis to work together to rise to our common challenges. We have long enjoyed mature and stable relations in many areas including trade, business, tourism as well as cultural and academic exchanges. Japan was Hong Kong's 4th largest merchandise trading partner in 2017, with trade volume amounting to US\$49 billion. The trading of Japanese food is perhaps the most remarkable and noteworthy. Hong Kong has been Japan's largest export market for food and agricultural products for more than a decade now, accounting for about one-fourth of her total exports. Japan is also one of Hong Kong's major sources of inward direct investment, valued at about US\$28 billion in 2016.

Japanese corporates are one of the largest groups of foreign companies in Hong Kong. According to our latest survey, nearly 1 400 Japanese companies have set up their businesses in Hong Kong and around half of them are using Hong Kong as their regional headquarters or regional offices.

We treasure this partnership very much, and the "Think Global, Think Hong Kong" symposium in Tokyo is a testimony. Featuring over 70 high-profile speakers, the symposium and thematic sessions will showcase Hong Kong's role

as an international service platform for bringing together business communities from Hong Kong and Japan to discuss how we can respond jointly to the changing dynamics of the global economy, environment and demographics.

Hong Kong continues to be an attractive place with tremendous potential for investors from all over the world, including Japan. With our unique advantages under "One Country, Two Systems", Hong Kong maintains an open and free market, underpinned by a robust common law system, an independent judiciary, a simple and competitive tax system, and a level-playing field for businesses from around the world. As a matter of fact, Hong Kong has been ranked the world's freest economy by the US-based Heritage Foundation for 24 consecutive years. We are also the world's second most competitive economy, according to International Institute for Management Development's World Competitiveness Report 2018.

Being strategically located at the doorstep of Mainland China, Hong Kong has long been the gateway for foreign investors seeking access to the Mainland market. Our gateway position has been strengthened by the Mainland and Hong Kong Closer Economic Partnership Arrangement, or CEPA in short, a free trade agreement concluded between Mainland China and Hong Kong back in 2003. It provides preferential treatment to Hong Kong service providers and suppliers, as well as tariff-free treatment for products of Hong Kong origin. The beauty of CEPA is that it is nationality-neutral. Over the years, Japanese companies in Hong Kong have actively leveraged on the CEPA advantages to tap the opportunities in the Mainland market. We welcome more Japanese investors to establish their service businesses in Hong Kong or collaborate with Hong Kong companies to obtain preferential treatment offered by CEPA. As for trade in goods, they can set up manufacturing operations in Hong Kong to produce goods meeting CEPA origin rules to enjoy tariff free access into the Mainland market.

Meanwhile, we continue to expand our network of free trade agreements (FTAs), investment agreements, as well as comprehensive avoidance of double taxation agreements, in order to better enable enterprises and corporate treasury centres established in Hong Kong to leverage on the extraordinary opportunities in emerging markets. In the past 12 months, we forged FTAs with the 10 member nations of the Association of Southeast Asian Nations (ASEAN) and Georgia respectively. These FTAs will not only enhance and strengthen the trade between Hong Kong and the respective regions, but will also boost economic and trade activities and greatly enhance business opportunities for Hong Kong enterprises and service providers. Japanese companies could also enjoy the unimpeded trade flow and facilitation measures by these FTAs if they establish a presence in Hong Kong or partner with Hong Kong service providers.

Hong Kong enjoys unique opportunities under the Belt and Road Initiative. First announced by President Xi Jinping in 2013, the Belt and Road Initiative spreads across Asia, Europe and Africa, accounting for one-third of the world's GDP and the world's merchandise trade respectively. It has been designed to promote infrastructural connectivity and in doing so, boost trade and investment, deepen policy co-ordination and create stronger people-to-people bonds among participating countries.

To promote the Initiative, Hong Kong has so far organised three annual Belt and Road Summits. The third Belt and Road Summit was held in June this year, with the theme "From Vision to Action", and have attracted around 5 000 government and business leaders from some 50 countries and regions. The Summit has established itself as the largest and most important Belt and Road commerce, investment and business matching platform among project owners, investors and service providers. I would like to invite you all to join the fourth Summit to be held in September next year.

As one of the world's leading financial centres and the one at the heart of Asia, Hong Kong is determined to be the Belt and Road's financial engine room, drawing on our experience, expertise and international connections. With our deep liquidity, premier financial infrastructure and comprehensive channels for raising capital, Hong Kong can meet the financing needs of Belt and Road projects in both public and private markets. The Hong Kong Stock Exchange has been ranked among the top five globally in initial public offerings for the past eight years. In April last year, our Securities and Futures Commission also set out eligibility criteria for infrastructure project companies looking to Hong Kong for equity and debt financing.

Hong Kong is the world's largest offshore Renminbi centre and the leading centre for offshore Renminbi asset management. Importers and exporters can settle their trade in Renminbi through our payment system, at over 200 banks from all over the world. Investors can tap our Renminbi liquidity through bank loans or "dim sum" bond issuance, or invest in a wide range of Renminbi products available in Hong Kong.

Hong Kong is the platform for finding the right partners, be them equity partners, or partners for the operation and management of infrastructure. We welcome Japanese companies interested in exploring new business opportunities to partner with Hong Kong in the search for success.

Our enterprises have a lot of experience working with international counterparts, including of course Japanese enterprises. We are blessed with a rich pool of multilingual and multicultural professionals who are experienced in various fields. In particular, legal services, which are indispensable for any businesses and development projects, is an aspect in which Hong Kong has a distinct advantage. The international community is familiar with Hong Kong's common law system, underpinned by an independent judiciary and a robust intellectual property rights protection regime. Arbitral awards made here are enforceable in over 150 jurisdictions, including Mainland China. Our more than 13 000 lawyers and many more legal professionals from around the world stand ready to provide efficient and reliable legal services, ranging from risk assessment and drafting contracts to dispute resolution for investment and commercial deals involving parties from Mainland China and other economies along the Belt and Road.

Another major initiative that offers very promising prospects for Hong Kong and overseas businesses is the Guangdong-Hong Kong-Macao Greater Bay Area development. The Greater Bay Area covers Hong Kong, Macao and nine Guangdong cities with a total population of nearly 70 million and a GDP of over US\$1.5 trillion. It accounts for only 5 per cent of Mainland China's

total population but 12 per cent of total GDP. If we look beyond Mainland China, its GDP size is equivalent to that of Australia or the Republic of Korea. Air and cargo throughput of the Greater Bay Area also ranks first in the world.

The development of the Greater Bay Area will allow Hong Kong to give full play to her strengths. And one of the ambitions in the Greater Bay Area is to develop an international innovation and technology (I&T) centre, which has the personal endorsement of President Xi Jinping.

The Greater Bay Area possesses prominent resources and strengths in the field of I&T. Hong Kong has a number of world-class universities, tremendous strengths in scientific research, robust rule of law and a strong intellectual property rights protection system that allow value to be created out of innovation. Such advantages grow from Hong Kong's role as an international city, which allows resources for innovation from the Mainland and across the globe to converge. Hong Kong's highly international business environment can, on the one hand, attract international I&T enterprises to enter the Greater Bay Area, and on the other hand, help Mainland I&T enterprises go global. Indeed, technological co-operation occupies a key area in my itinerary over this five-day visit to Japan.

Hong Kong's connectivity with other parts of the Greater Bay Area has been significantly enhanced by the recent commissioning of two mega infrastructure projects within a month, namely the Hong Kong- Zhuhai-Macao Bridge across the Pearl River estuary, and the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link that connects our city to Mainland China's extensive high-speed rail network. These contribute to the goal of making the Greater Bay Area an ideal place to live, study and work by linking together all the different cities with their complementary strengths.

For our friends from Japan, I would strongly recommend you to spend time to uncover the tremendous potential that the Greater Bay Area development may mean to your operations. I am sure you will find ample opportunities there.

Ladies and gentlemen, our unparalleled knowledge of the Mainland market and our deep economic connections with both the Mainland and the rest of the world continue to make Hong Kong your best trading partner. As we build our resolve and capabilities to meet the formidable challenges we face, I welcome the continued encouragement and partnership of all our friends in Japan. Together we can support and inspire each other to accomplish the great things that our times demand of us.

May I offer my thanks to the Hong Kong Trade Development Council for staging this memorable Hong Kong event in Tokyo today. I wish you all a very fruitful symposium. Thank you very much.

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# Speech by FS at Hong Kong Competition Exchange 2018 opening ceremony (English only) (with photos/video)

Following is the speech by the Financial Secretary, Mr Paul Chan, at the Hong Kong Competition Exchange 2018 opening ceremony this morning (November 1):

Anna (Chairperson of the Hong Kong Competition Commission, Ms Anna Wu), distinguished guests, ladies and gentlemen,

Good morning.

It's my honour to be here for the opening of the Hong Kong Competition Exchange.

I'm told that there are more than 250 of you from some 20 countries and regions, coming from competition agencies and businesses, the legal community, academia and government. It is our pleasure to have you all to be here today, and tomorrow, as high-profile representatives of the international competition community.

Welcome to Hong Kong. You have, I assure you, come to the right place. Our population is only about 7.4 million, and we have few resources to speak of. And yet Hong Kong has long been one of the world's top trading economies and a leading international financial centre, alongside London and New York. We're also fast emerging as an innovation and technology hub.

There are good reasons for our lofty place in the global economy. Our unique "one country, two systems" arrangement is certainly central to our success. Among many other things, it has made possible our unique and growing role as the business bridge between the Mainland and the rest of the world. Our advantages also include Hong Kong's long-standing embrace of free enterprise and the endless adaptability of Hong Kong business.

And then there are the people of Hong Kong. We have had no choice but to meet, and beat, a world of competition. International competition has, in short, given Hong Kong its edge.

I'm hardly alone in trumpeting our competitive culture. This year, Hong Kong was ranked second, globally, in the International Institute for Management Development's World Competitiveness Yearbook. We topped two of the Yearbook's four main focus areas, "government efficiency" and "business efficiency".

In this year's Global Competitiveness Index, run annually by the World Economic Forum, Hong Kong finished seventh among some 140 economies. We

placed second, I should add, in four key areas: infrastructure, ICT adoption, financial system, and product market, which includes trade openness.

Earlier this year, the Heritage Foundation, which has named Hong Kong the world's freest economy for the past 24 years, had this to say about Hong Kong when releasing its latest "Index of Economic Freedom" report, and I quote: "An exceptionally competitive financial and business hub, Hong Kong remains one of the world's most resilient economies. A high-quality legal framework provides effective protection of property rights and strongly supports the rule of law." The Foundation also added: "Regulatory efficiency and openness to global commerce undergird a vibrant entrepreneurial climate."

For Hong Kong, in short, free trade and competition are at the heart of our continuing success in the global economy.

Unfortunately, that combination is finding unexpected headwinds elsewhere. Protectionism and other uncompetitive practices are rising. Last month, the heads of the World Trade Organization, the International Monetary Fund, the World Bank and the Organisation for Economic Co-operation and Development came together at the annual meeting of the IMF and the World Bank in Bali to defend global trade, to speak out about the importance of upholding a vigorous and healthy competitive environment for business.

I'm sure this conference, its notable speakers and panel discussions, will echo that message.

Regulation is vital to the effective operation of trade and markets. That said, regulators, and governments, must remember that the primary objective of business is not to uphold freedom but to realise commercial advantage.

They must ensure that no business can use an advantage to exclude other businesses or obscure public interest.

Such effort requires continuing vigilance. This is the reason that bodies such as the Hong Kong Competition Commission have been established.

Enabling competition requires a clear understanding of its meaning. There cannot be fair competition, for example, if competitors distort markets through cartels, or if a dominant player wins by forcing its competitors out of the market or using artificial barriers to prevent prospective competitors from entering.

Such distortions stifle the competitive process. Any short-term gains come at great expense: as an invisible tax on other businesses, and on the public, who end up paying more for fewer choices and inferior products and services.

A competitive culture, on the other hand, upholds the principle that competition is about outperforming rivals through efficiency, innovation and other legitimate means. A workable competition law enforces clear rules to



ensure such an outcome.

Hong Kong's Competition Ordinance came into full force just three years ago. The Ordinance promotes competition and prohibits anti-competitive practices in the marketplace.

The Competition Commission was established under the Ordinance.

Despite its short history, the Commission has achieved several milestones, including taking a number of anti-competitive cases to court. Enforcement attracts attention. And both the business sector and the general public in Hong Kong are, I'm pleased to say, increasingly aware of the Ordinance – and the Commission behind it.

The Commission's initial cases have included bid-rigging, market sharing and price fixing, schemes that have attracted significant public interest because of their potential to hurt consumers.

Cartel investigations can often take years to reach litigation, so it is truly an accomplishment that the Commission has brought three such cases to litigation in less than three years.

The Commission is also playing an increasingly active role internationally, sharing its experience with the Association of Southeast Asian Nations (ASEAN). It was, by the way, one year ago this month that Hong Kong and ASEAN signed a free trade agreement, which will come into effect beginning in January. No doubt, the Commission will continue to expand its co-operation with ASEAN.

Earlier this year, the Commission was appointed co-chair of the International Competition Network Advocacy Working Group, with the goal of promoting a competition culture through non-enforcement means.

In short, ladies and gentlemen, Hong Kong's Competition Commission is off to a fine start. I am grateful for its commitment to safeguarding the competitive heart of Hong Kong.

I am grateful, as well, for the Commission's organisation of this event, its first international conference.

I wish you a rewarding conference, and nothing but good business – and fair competition – in the coming year.

Thank you.

