<u>Transcript of remarks by CE at media</u> <u>session before ExCo meeting</u>

Following is the transcript of remarks by the Chief Executive, Mrs Carrie Lam, at a media session before the Executive Council meeting today (October 20):

Reporter: Earlier you have said that it was the society's demand to let Hong Kong residents who live on the Mainland to vote in Legco elections. Have you ever done any proper consultation on this matter and will you promise the public that they will be given the chance to give their views should one day your Government put forward the proposal? Question number two's on reclamation. You said in interview that it's unlikely that Beijing will approve reclamation in Mainland waters because President Xi cares a lot about the environment and the conservation, so can you tell us why it is okay to reclaim land in Hong Kong and is your Lantau Tomorrow project a direct contradiction to President Xi's commitment to protect the environment? And question number three on the Greater Bay Area, have you ever tried to fight for Hong Kong to become the so-called "core engine" in the Greater Bay Area? And are you really putting Hong Kong's interest first when you said that you are okay with Shenzhen taking over us in terms of GDP? Thank you.

Chief Executive: Thank you for the three questions. First of all, I think we have to realise the reality. The reality is a large number of Hong Kong permanent residents who are registered voters and are eligible to vote are now spending a lot of time in the Mainland, whether it is for work, for investment, for study. That is a reality. These people will also expect that they have a chance to vote in a general election in Hong Kong because they still have very strong connections with Hong Kong. And for argument's sake, nowadays some of the policies of the Hong Kong SAR Government do have a Mainland dimension. These people are very concerned about such policies so it would not be reasonable to deny them of a chance to vote and this is what I meant by the public or the society expectations. Any change in the voting arrangements, especially to allow voting to take place outside of Hong Kong, will require a legislative amendment, so the public will have a chance to express their view. Similarly the Legislative Council will have a chance to decide whether they will support this particular measure.

About reclamation, reclamation is a means to form land. In every jurisdiction one has to consider the unique factors of that particular jurisdiction to decide whether reclamation is one of the preferred options. Hong Kong's land area is very limited. It's 1 100 square kilometres, and the developed proportion is about 26 to 27 per cent because Hong Kong people, me included, all treasure the country parks, the wetlands and many of them are topographically very difficult — they are slopes. The possibility of creating large parcels of land for us to create the new towns that we used to do in the 1960s, 1970s, have become very difficult if not impossible. So seen in the Hong Kong context, reclamation outside of the Victoria Harbour has always

been one of the options floated. Not now, but over 10 years ago when I was the Secretary for Development, we have already done a very extensive public consultation on the further options to create land. It then included using cavern development, reclamation in the form of artificial islands, resumption of private land and brownfield development. By now I think people should realise, again this is a reality, that if you don't allow the Government to touch the country parks, the wetlands, if there are extreme difficulties in resuming some of the land because they have active operations which will affect the economy, then reclamation that we have been proposing is one of the feasible options. It could not be understood in a one-size-fits-all situation. Every place has their unique circumstances and in our case if we want to have balanced development, if we want to preserve some of the highvalued country parks and so on, then we have to make up our mind. I still feel that the Lantau Tomorrow Vision has advantages not only in forming large parcels of land but also completes a very efficient rail and road network connecting the Hong Kong Island via the artificial islands to the western part of the New Territories, and also gives us the chance to have a third central business district in Hong Kong. By the way, another environmental benefit of reclamation in Hong Kong is to absorb the public fill materials created by the building works in Hong Kong which at the moment, as I have said in my interview, are being transported to Taishan to do reclamation under a Central Government-approved scheme. That will be exhausted in a few years' time so we have to find our own solution.

I hope people will not again take what I said out of context. Yes, Shenzhen's gross domestic product has exceeded Hong Kong in two years by now. I did say that because Shenzhen is much bigger — it has about 1 900 sq km and much of the land in Shenzhen is usable and developable land unlike in our situation- and the Shenzhen population is now 13-plus million people and Shenzhen has been developing very well, so to have a higher gross domestic product is only natural. Of course in terms of per-capita GDP, Hong Kong still is higher than Shenzhen. That should not be misunderstood as an attitude that I don't care. If I don't care I would not spend so much time to nurture and promote Hong Kong-Mainland relationship and Hong Kong-Shenzhen relationship. If I don't care I would not put up all these proposals or support measures to the Central People's Government for them to consider positively so that I can take Hong Kong's economy to another high level. If I don't care I would not be leading my Government team to analyse and understand the measures given to Shenzhen to see whether there is synergy or opportunities for Hong Kong. So I hope to say once and for all that my interest is with Hong Kong. I will promote and, if using your term, fight for Hong Kong's interest, whether within the People's Republic of China or globally because I see Hong Kong possessing many competitive strengths. The only thing that sometimes let us down is the high politicisation in this society, which makes it difficult for us to act as efficiently as we want in Hong Kong.

You mentioned a word about "engine". In fact if you look at the Outline Development Plan for the Greater Bay Area published last February, four cities within the 11 cities were named as core cities. They were Guangzhou, Macao (Note), Hong Kong and Shenzhen. I'm now aiming that both Hong Kong and

Shenzhen will become a dual engine for growth in the Greater Bay Area and in the whole of China. That is my strategy to help Hong Kong's economy, not only to recover, but to prosper in the coming years. Thank you.

Note: Spoken as Foshan.

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