



“Seize the opportunities, make the right choices.”

The annual Policy Address by Hong Kong Chief Executive C Y Leung announces new measures to boost the economy, increase housing supply and harness the potential of Hong Kong people.

In his third annual Policy Address, delivered to Hong Kong’s Legislative Council in January, Mr Leung announced a series of initiatives to alleviate poverty, protect the environment and improve care of older people.

In his address “Uphold the Rule of Law; Seize the Opportunities; Make the Right Choices”, Mr Leung also said that Hong Kong’s constitutional development must proceed in accordance with the Basic Law, the mini constitution of Hong Kong, and the relevant Interpretation and Decisions of the Standing Committee of the National People’s Congress. He hoped the community would make good use of the two-month consultation period launched in January (see article right) to discuss issues “in a rational and pragmatic way to forge a consensus”.

Economic strength

Focusing on economic development, Mr Leung said Hong Kong should build even stronger economic ties with the Mainland of China and overseas countries, stressing that his Government would continue its efforts to achieve basic liberalisation of trade in services with the entire Mainland by the end of this year. The recent agreement to liberalise trade in services in Guangdong, the Mainland province closest to Hong Kong, was a major step forward, he noted (see page 5).

In addition to initiatives to boost the development of high-value maritime services, the Government is also studying the development of Hong Kong’s aerospace financing business in order to strengthen Hong Kong’s status as an international aviation and financial centre. Following the Railway Development Strategy 2014 announced last year, Mr Leung said that the Government will implement seven new railway projects in phases by 2031.

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Above: Mr Leung delivers the 2015 Policy Address at the Legislative Council.

Above right: Hong Kong residents queue to collect a copy of Mr Leung’s Policy Address.



“We will be able to take full advantage of the opportunities ahead as long as we adhere to our values and stand united.”

C Y Leung

Constitutional reform – engaging the public

The Hong Kong Government has launched a second round of public consultation on the method of electing the next Chief Executive.

The consultation, which started on 7 January 2015 and will last two months, is a further step towards the Government’s aspiration of selecting Hong Kong’s Chief Executive through “one person, one vote” in 2017.

People are invited to give their views on key issues regarding arrangements for selecting the Chief Executive including:

- the composition of the Nominating Committee which will select candidates
- procedures by which the committee will nominate candidates
- and the voting arrangements.

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Financial Secretary visits London

Financial Secretary, John C Tsang, visited London in October to strengthen economic and trade ties between Hong Kong and the United Kingdom.

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●●● Government

“Seize the opportunities, make the right choices.”

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New homes

Mr Leung emphasised the Government’s strong commitment to creating more land for housing and commercial development, with a number of specific initiatives. He announced that a preliminary study would be launched as soon as possible for the East Lantau Metropolis which will accommodate new homes and serve as a new core business district in addition to Central and Kowloon East.

Tourism

To promote tourism, Mr Leung said that the Government would begin discussions on Phase 2 of the Hong Kong Disneyland Resort, and would consider constructing a new convention centre around 2020. Hong Kong’s film industry received a boost too, with the news that the Government would inject further funding into the Film Development Fund to encourage local film production and promote Hong Kong films in overseas

markets, and in particular to help them take part in international film festivals.

Demographic change

To address the challenges of an ageing population, Mr Leung announced plans to extend the retirement age and encourage the children of permanent residents who have emigrated overseas to return to Hong Kong to work, by facilitating their entry and stay.

The Government would also relax the stay arrangements under the General Employment Policy, the Admission Scheme for Mainland Talents and Professionals and the Quality Migrant Admission Scheme. It would study the feasibility of drawing up a talent list to attract, in a more effective and focused manner, high-quality talent to support Hong Kong’s diverse, high value-added economy.

Air quality

On the environment, Mr Leung said that the Government would work to improve

air quality by requiring vessels docked in Hong Kong to use low-sulphur diesel fuel. It would also designate low-emission zones in Causeway Bay, Central and Mong Kok for bus companies, and trial single-deck electric buses. A new Recycling Fund would support the recycling industry, he added, including funding new facilities to improve efficiency and increase the amount of material that can be recycled.

Mr Leung concluded: “Hong Kong people are hardworking, law-abiding and tenacious. Given the strong fiscal position of the Government, we will be able to take full advantage of the opportunities ahead and make right choices as long as we adhere to our values, maintain our confidence and stand united.”



Above: Mr Leung attends a TV debate on the 2015 Policy Address.

The 2015 Policy Address can be read in full and downloaded at www.policyaddress.gov.hk.

●●● Government

Constitutional reform – engaging the public



Above: Mrs Lam, Chief Secretary for Administration (centre), Rimsky Yuen, SC, Secretary for Justice (left), and Raymond Tam, Secretary for Constitutional and Mainland Affairs (right) at a press conference to launch the second round of public consultation on constitutional reform in January.

Above right: Mrs Lam speaking at the press conference on constitutional reform.

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Acknowledging the controversial and challenging nature of the reform, Carrie Lam, Chief Secretary for Administration, said she strongly believed Hong Kong had the opportunity to devise a set of electoral arrangements that were “fair, open, transparent and highly competitive.”

In his Policy Address (see above), Chief Executive C Y Leung said that to achieve universal suffrage we must “respect one another and seek common ground while accommodating differences.” Neither the community nor the Government will accept or tolerate any unlawful acts, he added.

Next steps

Once the second round of public consultation is completed, the Hong Kong Government will summarise the views received and then submit a resolution to the Legislative Council in the second quarter of 2015 to amend Annex I to the Basic Law: ‘Method for the Selection of the Chief Executive of the Hong Kong Special Administrative Region’. To move forward, proposals must be passed by a two-thirds majority.

The consultation document can be downloaded from www.2017.gov.hk.



●●● Urban development

Moscow forum on city planning

The Secretary for Development, Paul Chan, visited Moscow, Russia, in December 2014 to attend the IV Moscow Urban Forum and meetings of the Moscow International Advisory Board on Urban Development.

Mr Chan spoke at the opening plenary session of the Moscow Urban Forum on themes including drivers of city development, relationships with neighbouring cities and the relationship between national policies and city development.

During his visit to Moscow, Mr Chan met the Mayor of Moscow, Sergei Sobyanin, and the Deputy Mayor of Moscow for Urban Development and Construction, Marat Khusnullin. Mr Chan met with the State Secretary – Deputy Minister of Construction, Housing and Utilities of the Russian Federation, Aleksandr Plutnik, and called on the Chargé d’Affaires of the Embassy of the People’s Republic of China to the Russian Federation, Zhang Xiao.

In addition, Mr Chan visited Crocus City, a modern development project of about 70 hectares situated in north-west Moscow comprising commercial and residential complexes, hotels, offices, a convention and exhibition centre, a concert hall and other entertainment facilities.



Above top: Mr Chan (front, second right) visits Crocus City, a new development in north-west Moscow.



Above: Mr Chan (first right), at the Moscow Urban Forum in Moscow.

●●● Economy

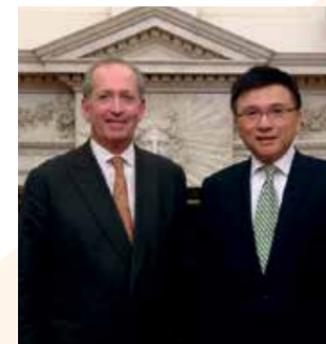
London visit for Secretary for Financial Services and the Treasury

Professor KC Chan, the Secretary for Financial Services and the Treasury, visited London in December to boost bilateral relations between Hong Kong and the UK and to promote Hong Kong as the world’s premium offshore Renminbi (RMB) hub.

Professor Chan met with the Economic Secretary to the HM Treasury, Andrea Leadsom, the Lord Mayor of London, Alderman Alan Yarrow, and the Deputy Governor of the Bank of England, Sir Jon Cunliffe, to discuss a wide range of financial and monetary issues.

Professor Chan also met with senior figures from the London Stock Exchange and TheCityUK. He attended roundtable luncheon and breakfast organised by the Hong Kong Association and Thomson Reuters respectively, during which he discussed with leading practitioners in the financial and banking sectors Hong Kong’s success in RMB business.

Above: Professor Chan (right) with the Lord Mayor of London, Alderman Alan Yarrow.



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Financial Secretary visits London

During a visit to London in October, Financial Secretary John C Tsang called on the Chinese Ambassador to the UK, Liu Xiaoming, and also met with the UK Minister of State for Trade and Investment, Lord Livingston.

During a speech at the Hong Kong Trade Development Council Annual Dinner, Mr Tsang outlined plans for Hong Kong’s economic development. “Long before the current media spotlight on Hong Kong, we were busy trading with the world, busy serving as a gateway to global business, enabling international and Mainland investment, expanding our infrastructure, boosting our regional logistics and communications links,” said Mr Tsang. This had not changed, he stressed, adding: “Hong Kong is continuing to do what it does best. Creating opportunities, building connections, planning for a future that is certain to reward all of us.”

Science and innovation

On the second day of his visit Mr Tsang discussed how to promote the development of science, innovation and technology during a breakfast meeting hosted by the Royal Society. Later he officiated at the official opening of the *Tall Storeys: Evolution in Hong Kong Architecture 1965-2014* exhibition, a retrospective on Hong Kong’s architectural achievements in the past 50 years, before addressing a luncheon organised by the Hong Kong Association.

Above: The opening ceremony of the *Tall Storeys – Evolution in Hong Kong Architecture 1965-2014* exhibition of the Hong Kong Institute of Architects.





Above: Actors dressed as Bruce Lee and an opponent practice their moves in front of a larger-than-life statue of Bruce Lee doing his signature kick, the centrepiece of the Hong Kong float.

“Our float this year demonstrates that as well as being one of the world’s most forward-looking, business-focused cities, Hong Kong is also a powerhouse of kung fu movies and home to a vibrant and thriving creative sector.”

Erica Ng,
Director-General, HKETO, London.

●●● Culture

Kung fu movies fascinate at Lord Mayor’s Show

Kung fu movies and stars including Bruce Lee and Jackie Chan were celebrated in a float organised by the Hong Kong Economic and Trade Office (HKETO), London, at the 2014 Lord Mayor’s Show.

The Hong Kong float featured a lorry decked out as a film set, with cameras, film canisters and clapperboards, as well as video screens showing clips of kung fu movies. Shaolin masters and kung fu actors showed the crowd their moves.

More than half a million people take to the streets each year to see the parade, which celebrates the swearing-in of the new Lord Mayor of London – this year it is Alderman Alan Yarrow, the 687th person to hold the post since it was instituted in 1189 – while millions around the world watch the pageantry on TV.

This is the tenth year that the HKETO has taken part in the Lord Mayor’s Show.

Above right: Shaolin kung fu masters entertain the crowds in front of St Paul’s Cathedral, London.

Right: An actor dressed as Bruce Lee takes on his opponent.



●●● Business

Business of Design Week 2014

Creative minds from around the world gathered in Hong Kong for Business of Design Week 2014 (BODW) in December.

Organised by the Hong Kong Design Centre, this internationally-acclaimed event focuses on design, innovation and brands with a week-long programme of exhibitions, awards ceremonies and top industry speakers.

Welcoming people to BODW 2014 at the Hong Kong Convention and Exhibition Centre, Hong Kong Chief Executive C Y Leung said the event was an opportunity for people to “share their insight and their experience in an endlessly diverse range of design fields: automotive, brand, commercial, cultural, fashion, gaming, graphic, industrial, product, retail, services, sustainable, urban and much more.”

Living design

This year’s BODW partner country, Sweden, brought a distinctive Scandinavian touch to the event under the theme of ‘Living Design: Live It, Work It, Wear It, Do It’. Forty Swedish companies including Absolut Vodka, H&M, IKEA and Volvo helped to show why Sweden has an enviable reputation for functionality, sustainability and beauty. This is the third time that Sweden has been the partner for BODW. Multinational corporations at the event included Banyan Trees, Nissan, OMA and Van Cleef & Arpels.

“Outstanding design masters”

Commenting on the success of the event, Hong Kong Design Centre Chairman Victor Lo said: “BODW has grown to become a major design-exchange platform in Asia, bringing together some of the world’s most outstanding design masters and influential business-figures, providing a valuable platform to network, exchange ideas and explore business cooperation, and putting Hong Kong in the heart of design in the region.”

Next year’s BODW partner city will be Barcelona, one of the world capitals of creativity, design and innovation.

Top right: Mr Leung (sixth left) and other guests at the opening ceremony of Business of Design Week 2014.



“Sweden and Hong Kong have long maintained close co-operation in culture, as well as business and trade.”

C Y Leung, Chief Executive

China stock exchange link launched



Above: C Y Leung, Chief Executive (sixth right), officiates at a gong-striking ceremony at the launch of Shanghai-Hong Kong Stock Connect.

A new scheme to make it easier to invest in Mainland China was officially launched last November.

Shanghai-Hong Kong Stock Connect allows investors from Hong Kong and overseas to invest directly in eligible stocks listed on the Shanghai Stock Exchange (SSE) through the Stock Exchange Hong Kong (SEHK), while eligible Mainland investors can also invest in eligible stocks listed on the SEHK through the SSE.

To make it easier for people to take part in Stock Connect, Hong Kong banks have also lifted the Renminbi (RMB) daily conversion limit, which used to restrict the amount of currency Hong Kong residents could convert into RMB, the currency of Mainland China.

Guangdong trade agreement

Chief Executive, C Y Leung (back row, fifth left), attends the signing ceremony in December of an agreement to liberalise trade in services between Hong Kong and Guangdong, the Chinese Mainland province closest to Hong Kong.



The agreement is part of the Mainland and Hong Kong Closer Economic Partnership Arrangement and marks a further step towards the Chinese Government’s

objective of achieving liberalisation of trade in services between the Mainland and Hong Kong by the end of 2015.

The agreement was signed at the Hong Kong Convention and Exhibition Centre by Financial Secretary, John C Tsang (front row, left), and Vice Minister of Commerce, Gao Yan (front row, right).

●●● Enterprise

Global entrepreneurs win start-up prizes worth HK\$5 million



Above: Financial Secretary John C Tsang opens the 2014 StartmeupHK Venture Forum.

Six budding entrepreneurs from Hong Kong, the UK and the US have been named champions of the 2014 StartmeupHK Venture Programme.

The annual competition, now in its second year, is organised by InvestHK and aims to raise awareness of Hong Kong's potential as Asia's leading hub of entrepreneurship and innovation. The global competition saw 550 entries from 47 economies.

The winners of the three Grand Awards, announced in November, were Freightos and Scoutbots Ltd from Hong Kong and Perseus Telecom from the US. In addition, Easy Finance from the UK, Seevider from the US and Scoutbots from Hong Kong were named winners of the new FinTech, SmartCity and Data Analytics awards respectively.

Prizes worth HK\$5 million

To win the coveted awards, shortlisted entrants had to pitch their ideas in front of judges and attendees at the StartmeupHK Venture Forum 2014. They were judged on the scale of the challenge or opportunity they addressed, the venture's viability and sustainability, and the potential economic benefit to Hong Kong.

The six will get prizes worth around HK\$5 million in the form of free professional services, mentoring and work space provided by corporate sponsors.

Addressing the forum, Simon Galpin, Director-General of Investment Promotion, InvestHK said the tremendous response to the competition confirmed Hong Kong's place as "one of the fastest growing startup hubs in Asia."

Record year. InvestHK helped 355 overseas and Mainland companies to set up or expand in Hong Kong during 2014, its highest total ever. Set up in 2000, InvestHK is the Government department which helps overseas and Mainland businesses who want to do business in Hong Kong.

●●● Law

Maritime arbitration centre opens



A new centre specialising in the resolution of foreign and domestic maritime disputes has opened in Hong Kong.

The Hong Kong Arbitration Centre of the China Maritime Arbitration Commission (CMAC) was inaugurated in November at a ceremony attended by Rimsky Yuen, Secretary for Justice. The centre is the Commission's first outside of Mainland China.

Speaking at a seminar to mark the inauguration, Mr Yuen said that Hong Kong was an international maritime centre as well as a regional hub for international legal and dispute resolution services in the Asia-Pacific region, able to provide a wide range of services to maritime service providers and their users.

Above: Mr Yuen (fifth from left) officiates at the Hong Kong Arbitration Centre's inauguration ceremony, together with the Vice Chairman of the China Council for the Promotion of International Trade, Lu Pengqi (fourth left), and other guests.

●●● Finance

International Renminbi business

Participants from 13 Hong Kong and UK banks gathered in London in November for the fourth meeting of the London-Hong Kong RMB Forum.

Set up in 2012 to promote co-operation on the development of Renminbi (RMB) business, the forum met in London to review the latest developments in the international RMB market. They reported increased awareness of and use of RMB as a currency for trade and investment by companies in cross-border and offshore transactions.

Looking ahead, forum participants noted that awareness and education continue to be key themes in order to enhance further the breadth and depth of the offshore RMB market and promote international RMB business.

Above: From left to right: Erica Ng, Director General, Hong Kong Economic and Trade Office (HKETO), London; Andrea Leadsom MP, Economic Secretary to the Treasury; and Vincent Lee, Executive Director (External) of the Hong Kong Monetary Authority. Pictured at a reception organised by HKETO to celebrate the fourth London-Hong Kong RMB Forum meeting in the capital.

●●● Culture

Roll up for the Great European Carnival

The New Central Harbourfront in Hong Kong is currently hosting a Great European Carnival, complete with rides such as the Merry-Go-Round and Super Slide, some of which have never before been seen in Hong Kong.



The spectacular family carnival, which includes Hong Kong's largest outdoor ice-skating rink, European street entertainers and fairground attractions, opened before Christmas and will run for more than 60 days, including over Valentine's Day and Chinese New Year. It features several rides from the UK.



●●● Culture

Hong Kong office for Theatreplan

Theatreplan, a leading international theatre design and planning service, is to set up an office in Hong Kong.

The consultancy, which has worked with world-renowned venues such as the Royal Opera House and Barbican Theatre in London, the Copenhagen Opera House and Barcelona's Gran Teatre del Liceu, is to manage the Freespace black box theatre project – a 450 seat multimedia theatre and multidisciplinary arts venue in the new West Kowloon Cultural District (WKCD).

The new office will help Theatreplan to deliver the best possible service to the WKCD Authority, said Senior Consultant Robin Auld, and is part of the company's expansion plan in the Asia-Pacific region. "Hong Kong is the perfect hub for a business looking to develop into Asia-Pacific markets," he added.

●●● Culture

Russian treasures come to Hong Kong



Tsarskoye Selo, a summer residence of the Russian monarchs, whose treasures are now on display in Hong Kong

Treasures from Russia's Romanov dynasty, including paintings, costumes, porcelain and a spectacular carriage, are on display at the Hong Kong Museum of History in a major exhibition, *Treasures from Tsarskoye Selo, Residence of the Russian Monarchs*.

A summer residence of the Russian monarchs, Tsarskoye Selo witnessed not only the birth of the Russian Empire in the 18th century, but also the end of its monarchy.

This is the largest exhibition of Russian artefacts ever staged in Hong Kong and follows the signing of the Memorandum of Understanding on Cultural Co-operation between the two places in September 2011.

Russia-China links

The richly-decorated coronation carriage of Tsar Alexander II in Moscow in 1856 has been loaned out by the Tsarskoye Selo State Museum-Preserve of Russia for the first time ever. The exhibition also includes many Chinese artefacts, such as an 18th century Guangdong lacquer vase presented to Tsar Nicholas II by the last Emperor of China, Puyi – evidence of the long-standing exchanges between Russia and China.

Sponsored by the Hong Kong Jockey Club Charities Trust, the exhibition is jointly presented by the Leisure and Cultural Services Department of Hong Kong and the Tsarskoye Selo State Museum-Preserve of Russia, and continues until March 16.



Above: A virtual reality zone will allow visitors to experience the magnificent Catherine Palace in Tsarskoye Selo, including the Amber Room with its huge amber panels, described as the "Eighth Wonder of the World".

●●● Culture

Hong Kong films in Manchester



Jessey Tsang (right), Director of *Flowing Stories* pictured with Cornerhouse's Artistic Director Sarah Perks at the post-screening Q&A session.

The Hong Kong Economic and Trade Office (HKETO), London, supported a Hong Kong Film Programme at the Asia Triennial Manchester 14 (ATM14) in November.

The programme included the UK premiere of Hong Kong film *Flowing Stories*, followed by a reception and a question and answer session with the film's director Jessey Tsang.

Dennis Ching, Deputy Director-General, HKETO, introduced Hong Kong's unique fusion of Eastern and Western cultures to the audience at the ATM14 Symposium, and spoke about the latest developments in art and culture in Hong Kong.

The Hong Kong Film Programme at ATM14 ran from late September to early December and screened eight Hong Kong films in total.

FORTHCOMING EVENTS

Sunday, 22 February 2015

Chinese New Year celebration at Trafalgar Square and Shaftesbury Avenue in London, UK

Monday, 23 February 2015

Chinese New Year reception in London, UK

Tuesday, 24 February 2015

Performance by the Hong Kong Philharmonic Orchestra at Cadogan Hall, London

Wednesday, 25 February 2015

The Financial Secretary, John C Tsang, presents the 2015-16 Budget in Hong Kong

Monday, 2 March 2015

Chinese New Year reception in St Petersburg, Russia

Tuesday, 3 March 2015

Performance by the Hong Kong Philharmonic Orchestra at Symphony Hall, Birmingham

Thursday, 5 March 2015

Chinese New Year reception in Copenhagen, Denmark

Friday, 6 March 2015

Chinese New Year reception in Lund, Sweden

Monday, 16 March 2015

Business roundtable, trade seminar and Chinese New Year reception in Moscow, Russia

Finland and Norway kick off Chinese New Year celebrations



Above: Renowned Hong Kong cellist Trey Lee performs at the Chinese New Year reception in Oslo, Norway.

The Hong Kong Economic and Trade Office (HKETO), London, launched its celebrations of the Year of the Ram with receptions in Helsinki, Finland, and Oslo, Norway, in February.

Addressing both celebrations, Erica Ng, Director-General of the HKETO highlighted the strong links between Hong Kong and Finland and Norway. She praised Finland's flourishing information and communications technology as well as design industries, and highlighted the opportunities for Norwegian companies in Hong Kong's maritime industry, infrastructure projects and environmental protection initiatives.

The receptions were co-organised by the HKETO, Hong Kong Trade and Development Council, the Finland-Hong Kong Trade Association and the Norway-Hong Kong Chamber of Commerce.



Above: Toasting at the Chinese New Year reception in Helsinki, Finland.



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