

HONG KONG REVIEW



New Chief Executive takes office

Hong Kong's new Chief Executive, Mr C Y Leung, was sworn in at the inauguration of the fourth-term Hong Kong Special Administrative Region Government together with his team of Principal Officials on 1 July. Hong Kong returned to Chinese sovereignty 15 years ago on the same day, in 1997.

Progressive society

"My goal is to develop the economy, improve people's livelihood, promote democracy and build a more prosperous, progressive and righteous society," said Mr Leung, who won the election for Chief Executive in March.

Speaking at his inaugural address, Mr Leung added that he would lead Hong Kong in "seeking change while preserving stability".

Mr Leung thanked his predecessors, Mr Tung Chee-hwa and Mr Donald Tsang, saying that their "relentless efforts have laid down a solid foundation for the successful implementation of 'One Country, Two Systems' in Hong Kong."



Above: The President of the People's Republic of China, Mr Hu Jintao, meets members of the Hong Kong executive, legislature and judiciary.

In touch

The new Chief Executive said his team would continue to stay in close touch with the people, so as to "narrow both the physical and psychological distances between the Government and the community".

Stressing that continued economic development is the foundation of Hong Kong's prosperity, Mr Leung announced that three new preparatory task forces would start work immediately to review policies and strategies on economic development, financial services development and reducing poverty.

Affluent society

As a generally affluent society, everyone in the Hong Kong community should be able to share in the fruits of our economic development, he stressed.

"We must capitalise on the opportunities to consolidate and elevate Hong Kong's status as an international financial centre," he added, saying that by implementing fully all the economic and trade agreements signed with Mainland China, it would be possible to "expand job opportunities and development potential in the Mainland for Hong Kong people".

"With our concerted efforts, Hong Kong, this Pearl of the Orient, will shine even more brightly," Mr Leung concluded.



Above: The Chief Executive, Mr C Y Leung, speaking at the inauguration ceremony of the new Hong Kong Government, at the Hong Kong Convention and Exhibition Centre.

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●●● News

Legislative Council elections

The election of Hong Kong's Legislative Council took place on 9 September, with 1.83 million people casting their votes. The Electoral Affairs Commission concluded that the elections had been conducted successfully in an open, honest and fair manner.

"I am very pleased with the smooth completion of the Legislative Council Election," said Hong Kong Chief Executive, Mr C Y Leung, who congratulated the elected members and thanked the outgoing members.

15th Anniversary of the Establishment of the Hong Kong Special Administrative Region (HKSAR)

This year sees global celebrations to mark the 15th anniversary of the return of Hong Kong to Chinese sovereignty, with events taking place in China, Australia, Belgium, Canada, Finland, France, Germany, Japan, Korea, New Zealand, Russia, Spain, UK and the United States.

As part of these celebrations, the Hong Kong Economic and Trade Office, London (ETO), has organised events in London, Edinburgh, Manchester, Helsinki and Moscow.

15 films for 15 years

The Hong Kong 15 Film Festival was launched in July with a special gala screening of *A Simple Life* hosted by the ETO.

The award-winning film, directed by Ms Ann Hui, was followed by a Q&A with the film's producer and co-writer Mr Roger Lee, whose life story was also the film's inspiration. Ms Deanie Ip won the Best Actress Award at the 68th Venice International Film Festival last year for her role in the film.

The festival showcased 15 Hong Kong films from the 1960s to the present-day, to illustrate the vibrancy, diversity and creativity of Hong Kong culture, and also included a screening in Manchester of Ms Jessey Tsang's *Big Blue Lake*.

The ETO also organised 15th Anniversary receptions at art and theatre events in Manchester and Edinburgh (see page 8).

Above: Mrs Agnes Allcock (left), Director-General of the ETO, at the gala screening of *A Simple Life*, with the film's producer and scriptwriter Mr Roger Lee (centre) and Mr Roberto Abbondio, Head of Sales and Marketing of Cathay Pacific Airways.



The Hong Kong Children's Choir perform at the Helsinki Music Centre, Helsinki.

Children's choir in Finland

The Hong Kong Children's Choir performed in costume at a special concert in August in Helsinki, Finland, jointly organised by the Choir and the ETO, as part of the 15th anniversary celebrations.

Founded in 1969, the Hong Kong Children's Choir is the biggest choir of its kind in the world. This event, which took place at the Helsinki Music Centre and included songs in Cantonese, Putonghua, English, Finnish and Latin, formed part of the Choir's European tour. The Choir and Finland's renowned Tapiola Choir sang a Finnish folksong together as the finale of the concert.

Dragon Boats in London Docklands

Thousands of people came to the London Regatta Centre for the 15th Anniversary Dragon Boat Festival in London's Docklands, sponsored by the ETO.

Teams of Dragon Boat paddlers competed against each other in an exciting race to win the specially-made Hong Kong 15th anniversary trophy.

Dragon boat racing originated from ancient Chinese folklore, but since the first international dragon boat festival in Hong Kong in the 1970s, the race has developed into a mega event, with races happening all around the world. This is the 6th year the ETO has sponsored the London race.

Right: The 15th Anniversary London Hong Kong Dragon Boat Festival attracted thousands of people for an exciting day of racing in London Docklands opposite London City Airport.



Hong Kong Film Festival in Moscow

In October, the ETO staged its largest-ever festival of Hong Kong films in Russia: "Euphoria: Made in Hong Kong".



Above: Mr Roger Lee, producer and co-writer of *A Simple Life* (second from right) with the organisers of the Euphoria: Made in Hong Kong Film Festival in Moscow, Russia. From left: Mr Sergei Sych, Director of Euphoria Film Festival; Mr Dennis Ching, Deputy Director-General of the ETO; Mr Andrey Plakhov, Programme Director of Euphoria Film Festival; Mr Roger Lee; and Ms Svetlana Adjoubei, Director of Academia Rossica.

The Festival, held in Moscow, was co-organised by the ETO, Academia Rossica and the Euphoria Film Festival to promote high quality Hong Kong films and strengthen cultural exchange between Russia and Hong Kong. The two places signed a Memorandum of Understanding in September 2011 to strengthen cultural co-operation.

The Festival, curated by renowned Russian film critic and cinema historian Mr Andrey Plakhov, showed some of the best Hong Kong movies from recent years to demonstrate the creativity and vibrancy of Hong Kong's film industry.

RUSSIA: APEC HOST FOR 2012

Russia is the host of the Asia-Pacific Economic Co-operation (APEC) in 2012 – the leading forum for facilitating economic growth, co-operation, trade and investment in the Asia-Pacific region. The articles on this page report on Hong Kong's involvement in the Leaders' Week in September in Vladivostok, Russia, plus the major meetings held earlier in the year.

Economy

APEC Leaders' Week in Vladivostok

The Financial Secretary, Mr John C Tsang, attended the APEC Leaders' Week in Vladivostok, Russia, in September.

The Leaders' Meeting endorsed a joint declaration covering free trade agreements, fair and open markets for food, making it easier to move goods and services through the region, and building open and transparent business environments.

Supporting the initiatives agreed at the meeting, Mr Tsang said: "Disruptions to regional supply chains due to natural disasters in recent years, such as the tsunami in Japan and the flooding in Bangkok, reinforce the need for a more integrated and more reliable supply chain for trade."

At the APEC CEO Summit, Mr Tsang delivered a speech on the theme of 'Making cities fit for business, their people and the planet'.

Based on Hong Kong's experience, Mr Tsang focused on the essential role of corporate social responsibility, public transport and green policies in making a city livable.

During his visit to Vladivostok, Mr Tsang also met with the Russian Minister of Regional Development, Mr Oleg Gorun; Russian Deputy Minister of Regional Development, Mr Sergey Darkin; and Governor of Primorsky Territory, Mr Vladimir Miklushevsky, to discuss bilateral co-operation between Russia and Hong Kong.



Above top: Financial Secretary Mr John C Tsang addresses the APEC CEO Summit in Vladivostok, Russia on 'Making cities fit for business, their people and the planet'.



Above: The Financial Secretary, Mr John C Tsang (second left), meets with the Governor of Primorsky Territory, Mr Vladimir Miklushevsky (second right), in Vladivostok, Russia.

Economy

Visit of Financial Secretary to Moscow

Prior to the Leaders' Week, the Financial Secretary, Mr John C Tsang, visited Moscow and attended the APEC Finance Ministers' Meeting.

Addressing the meeting, Mr Tsang noted that as a small, open economy Hong Kong could not fail to be affected by the global economic situation. He also outlined the measures taken by Hong Kong to sustain economic growth, including a finance guarantee scheme for SMEs, the development of essential infrastructure projects, and specific measures to help those in need.

While in Moscow, Mr Tsang met with many political, economic and financial leaders of Russia. He called on the Russian Deputy Prime Minister, Mr Arkady Dvorkovich; Russian Minister of Finance, Mr Anton Siluanov; Russian Minister of Industry and Trade, Mr Denis Manturov; Russian Deputy Ministers of Agriculture, Mr Dmitry Yuryev and Mr Ilya Shestakov; Chairman of the Central Bank of Russia, Mr Sergey Ignatiev;

President of the Chamber of Commerce and Industry of the Russian Federation, Mr Sergey Katyrin; as well as other senior representatives of Russia's financial and business sectors.

"Russia is an emerging market which we have been striving to explore in recent years," said Mr Tsang, noting that trade between the two places increased by 44% during the first half of 2012. "We hope that more Russian companies will invest and set up businesses in Hong Kong," he added.



Above: The Financial Secretary, Mr John C Tsang (left), meets Russia's Deputy Prime Minister, Mr Arkady Dvorkovich.

APEC in brief

- Mr Gregory So, Secretary for Commerce and Economic Development, attended the APEC Meeting of Ministers Responsible for Trade, which took place in Kazan, Russia, in June. Ministers discussed the priorities for APEC this year and also the Doha Development Agenda negotiations in the World Trade Organization.
- Mr So also attended the APEC Small and Medium Enterprises Ministerial Meeting, held in St Petersburg in August. Mr So's address to the meeting focused on the need to support start-up businesses and young entrepreneurs.
- Mr Dennis Ching, Deputy Director-General of the ETO, visited St Petersburg in June 2012 to attend the APEC Women and the Economy Forum and Senior Finance Officials' Meeting. The theme of the Forum was "Women and Innovative Economic Growth."

●●● Sport

LONDON 2012 OLYMPIC AND PARALYMPIC GAMES



Above: Students greet the Hong Kong athletes arriving in the UK to compete in the London 2012 Paralympic Games.

A total of 70 Hong Kong athletes took part in the London 2012 Olympic and Paralympic Games in August – competing in 20 events including athletics, boccia, equestrianism, cycling, shooting, swimming, table tennis and wheelchair fencing.

Below: The Secretary for Home Affairs, Mr Tsang Tak-sing (eighth from left, centre row) at the flag raising ceremony for the Hong Kong delegation to the London 2012 Paralympic Games.



In fierce competition, the Hong Kong delegation won a bronze medal in the Olympics and 12 medals – three gold, three silver and six bronze – in the Paralympics.



Above: Cyclist Lee Wai-sze is congratulated by Hong Kong Chief Executive, Mr C Y Leung, during a welcome-home ceremony for all the athletes, held at the Hong Kong International Airport. She won a bronze medal in the Keirin event at the London Olympics. This is Hong Kong's first Olympic medal in cycling.

Cheering on

Secretary for Home Affairs, Mr Tsang Tak-sing, who came to London for the Paralympic Games, met the athletes and attended several events, including swimming, table tennis and equestrian to cheer on his compatriots.

While in London, Mr Tsang also met the UK Minister of State of the Foreign and Commonwealth Office, Mr Jeremy Browne, as well as representatives from cultural organisations including the British Council, the English National Opera and the Royal Academy of Arts, to exchange views on the development of and collaboration in arts and culture between the two places.



Left: The Secretary for Home Affairs, Mr Tsang Tak-sing (centre), met with the Secretary of State for Culture, Olympics, Media and Sport, Mr Jeremy Hunt (right), and Chairman of Olympic Delivery Authority, Sir John Armit, to exchange views on issues such as promotion in culture and sports.

Triumphant

To honour the triumphant Hong Kong athletes, the government held a special home-coming ceremony at the Hong Kong International Airport. Speaking at the event, Hong Kong Chief Executive Mr C Y Leung called on different sectors of the community to support the development of disability sports and encourage athletes with disabilities to participate in international competitions.

●●● Business

CEPA supplement brings closer ties with China

China and Hong Kong have signed yet another agreement on enhanced economic and trade co-operation and exchanges between the two places.

The latest supplement (number IX) to the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA), signed in June, strengthens co-operation in the areas of finance, trade and investment.

The agreement will help to open up Mainland China's markets to Hong Kong businesses working in the following specific sectors: legal; accounting; construction; medical services; computer and related services; technical testing and analysis services; personnel; printing; convention and exhibition; other business services; telecommunications; audiovisual; distribution; environment; banking; securities; social services; tourism; cultural; rail transport; education and individually owned stores.

This agreement marks a substantial step towards the planned goal of liberalisation of trade in services between the Mainland and Hong Kong before the end of the 12th Five-Year Plan period.

For full details of the agreement visit www.tid.gov.hk/english/cepa/index.html.

●●● Economy

Record profits for airport

The Hong Kong International Airport (HKIA) achieved record profits and revenue in the financial year ended 31 March 2012. Profits rose 32.2% in the year while revenue rose 14.8%.

Passenger volume increased 6.6% to 54.9 million during the same period, while flight movements rose 7.2% to 339,000.

Although cargo fell by 5.9% to 3.9 million tonnes, HKIA remains the world's busiest international cargo airport, a position it has held since 1996. HKIA has also been ranked the third-busiest airport for international air passengers since 2009.

"The strong performance is a result of healthy traffic growth, and it is indicative of our on-going efforts to contain costs, enhance operational efficiency and explore every possible means to increase revenue," said Chief Executive Officer of the Airport Authority Hong Kong, Mr Stanley Hui.

Right: Hong Kong International Airport is the world's third busiest airport for international travellers.

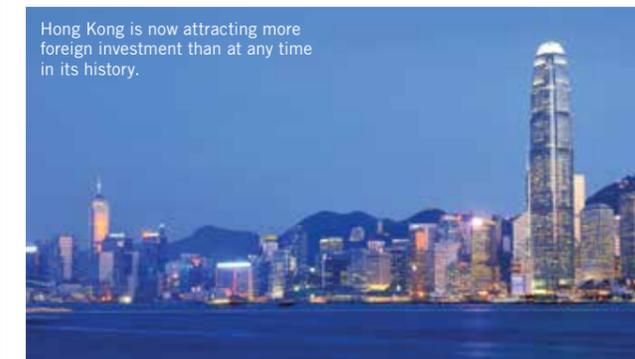


●●● Economy

Foreign investment continues to surge

Foreign direct investment in Hong Kong continues to surge ahead, according to the latest World Investment Report published by the United Nations Conference on Trade and Development (UNCTAD) in July.

Hong Kong is now attracting more foreign investment than at any time in its history.



Foreign direct investment (FDI) in Hong Kong rose 17% in 2011 to an all time high of over US\$83 billion. Only three other places (the US, Mainland China and Belgium) now attract more foreign investment.

Hong Kong also topped UNCTAD's Global Foreign Direct Investment Attraction Index 2011 – an annual measure of an economy's success in attracting foreign investment.

●●● Economy

A gateway to East Asia

Over 170 guests attended the Seminar on Business Opportunities in East Asia, held at the Royal Society in London in September. The event highlighted opportunities for UK businesses in China, Hong Kong, Japan and Korea.



Left: Rt Hon Hugo Swire MP, Minister of State at the UK Foreign and Commonwealth Office, speaking at the Seminar on Business Opportunities in East Asia.

Speakers at the seminar, which was co-organised by the Hong Kong Economic and Trade Office, London (ETO) and the Worshipful Company of World Traders, outlined in detail the business opportunities available to UK companies in these places.

Speaking at the seminar, Mrs Agnes Allcock, Director-General of the ETO said

“Hong Kong is in a unique position to act as a springboard for UK businesses to easily reach the key markets in East Asia.”

Pointing out that Hong Kong and the UK shared the same core values, spoke the same language, and shared a host of business and personal ties, Mrs Allcock urged British businesses to see Hong Kong as a gateway to East Asia and Mainland China.

Speaking at the Seminar, Rt Hon Hugo Swire MP, Minister of State at the UK Foreign and Commonwealth Office, praised the progress made by British business throughout East Asia and pledged continued support by



Above: Renowned British violinist Mr Sebastian See-Schierenberg and Mr Ramón Ruiz, one of the UK's leading Flamenco guitarists, entertain seminar guests.

the UK Government for increased trade with the region.

The Seminar was supported by the All-Party Parliamentary China Group, the All-Party Parliamentary Group for East Asian Business, the China-Britain Business Council, the Embassy of the People's Republic of China in the UK, the Embassy of Japan in the UK, the Embassy of the Republic of Korea in the UK, the Federation of Small Businesses, the Hong Kong Association, the Hong Kong Trade Development Council, the Japan Society, and UK Trade and Investment.



Above: Mrs Agnes Allcock, Director-General of the ETO, urges UK businesses to see Hong Kong as a gateway to East Asia and Mainland China.

●●● Economy

Business seminar in Moscow

Business leaders in Russia learned about the opportunities and economic environment in Hong Kong and Zhuhai at a special seminar in Moscow in August.

Executives from leading Russian companies successfully trading in the region spoke about the opportunities, offering case studies and practical tips to delegates.

The seminar, entitled 'Hong Kong and Zhuhai: Your Business Partners in China', marked the first joint promotion between the two cities in the Russian capital and was organised jointly by Invest Hong Kong (InvestHK) and the Zhuhai Municipal People's Government.



Above: Around 200 delegates attended a seminar in Moscow on business opportunities in Hong Kong and Zhuhai.

●●● Economy

South west businesses' HK opportunity

Companies in south west England were urged to make good use of the economic ties between Hong Kong and Guangzhou, at a seminar in Bristol in September.

Speaking at the seminar, Mr Charles Ng of InvestHK said that Hong Kong offered a “reliable platform for English companies to manage their operations in Guangzhou and the Greater Pearl River Delta” at the same time as seeking to expand into the wider Mainland China market.

Speakers included executives from companies based in south west England which are already successfully trading in Hong Kong and Guangzhou.

The seminar was organised by InvestHK and the Bureau of Foreign Trade and Economic Co-operation of Guangzhou Municipality.

●●● Education

UK students win Hong Kong university summer places

Five UK secondary school students spent the summer studying in Hong Kong universities after winning a competition organised by the Hong Kong Economic and Trade Office, London (ETO).

The “Hong Kong: A Dream Destination for University Study” competition was held to offer students a chance to experience the city's world-class university life and its unique lifestyle and culture.

Students were invited to describe why they think Hong Kong would be a great place to study, with places at summer schools at key universities in Hong Kong for the winners. Entries included essays, websites, blog entries and YouTube videos, and were judged on content, creativity and presentation.

The five winning entrants, who had their flights, tuition fees and accommodation paid for, came from all around the UK.



Above: Four of the winning students with the organisers and supporters of the competition. From left to right: Chairman of the British Council, Sir Vernon Ellis; Ian Headley of Brighton College; Mikaela Belcher of Clayesmore School, Dorset; Daniel Aldred of High School for Girls, Gloucester; Summaya Mughal of Nottingham Girls' High School; General Manager Europe for Cathay Pacific Airways, Mr Angus Barclay; Chairman of the Hong Kong Society, Mr Clinton Leeks; and Director-General of the ETO, Mrs Agnes Allcock.

They were:

Daniel Aldred High School for Girls, Gloucester

Entry: Essay

Summer school: The University of Hong Kong

Mikaela Belcher Clayesmore School, Dorset

Entry: Essay

Summer school: The Hong Kong Polytechnic University

Ian Headley Brighton College

Entry: YouTube video www.youtube.com/watch?v=Ke1_spfuLzc

Summer school: The Hong Kong Polytechnic University

Summaya Mughal Nottingham Girls' High School

Entry: YouTube video www.youtube.com/watch?v=1Jy4aedtm7Y

Summer school: The Chinese University of Hong Kong

Christopher Simpson The Glasgow Academy

Entry: Website whystudyhk.weebly.com

Summer school: The Hong Kong University of Science and Technology

Welcoming the competition, Sir Vernon Ellis, Chairman of the British Council said:

“We'd like to see more UK students benefit from studying in Hong Kong, with its great education system and fantastic location from which to explore the culture and economy of China.”

Sponsored by Cathay Pacific Airways and supported by the British Council in Hong Kong, the competition is also backed by the key universities in Hong Kong.

●●● Technology

Cash in on China's 'green decade'



The conference brought together technology companies from Hong Kong, China and the UK.

China's growing demand for clean technology and healthcare presents a huge opportunity for UK technology companies, a Cambridge conference was told in September.

“China is already the largest consumer of energy and there is a huge demand for clean technology,” said Anthony Tan of the Hong Kong Science & Technology Parks Corporation (HKSTPC).

Clean technology companies in the Cambridge area are in prime position to cash in on China's ‘Green Decade’, an unprecedented push towards meeting global sustainability targets, delegates were told.

The conference, ‘Exploring the China opportunity’, brought together companies from Hong Kong and China with UK counterparts and was organised by One Nucleus and Cambridge Cleantech in conjunction with HKSTPC.

●●● Culture

Detention in Edinburgh



The acclaimed Tang Shu-wing Theatre Studio from Hong Kong presented their work, *Detention*, at this year's Edinburgh Festival Fringe in August. The Hong Kong Economic and Trade Office,

London (ETO) organised a reception after the opening performance on 3 August to promote Hong Kong's cultural talents in Scotland and celebrate the 15th anniversary of the establishment of the Hong Kong Special Administrative Region (HKSAR).

Detention, an acrobatic comedy combining clowning, martial arts and percussion, tells the story of an after-school detention session in which three naughty boys are joined by an adorable female classmate and a fiery teacher.

Described as the 'alchemist of minimalist theatre', Tang Shu-wing earlier this year performed *Titus Andronicus* in Cantonese at Shakespeare's Globe in London, a performance described by the theatre's Chief Executive as one of the best presentations of *Titus* he had ever seen.

Above: Director Tang Shu-wing speaking at a post-performance reception.

FORTHCOMING EVENTS

Tuesday, 6 November

Hong Kong business seminar in Oslo, Norway

7-18 November

Screening of two Hong Kong films at the Stockholm Film Festival

Saturday, 10 November

Hong Kong participating in Lord Mayor's Show

Wednesday, 14 November

Hong Kong Trade Development Council Annual Dinner

Wednesday, 20 February 2013

Chinese New Year Reception at Banqueting House, London

●●● Culture

Hung Keung exhibition in Manchester

In July, the ETO gave its support to the Chinese Arts Centre, Manchester, to show an installation by Mr Hung Keung, a leading contemporary Hong Kong media artist.

Mr Hung presented an interactive video project *Dao Gives Birth to One*. This work won the Achievement Award from Hong Kong Museum of Art, as part of the Hong Kong Contemporary Art Biennial Awards 2009-2010. At the opening of the exhibition, the ETO also organised a reception to celebrate the HKSAR 15th Anniversary.

●●● Education

Young physicists win gold

Five secondary students from Hong Kong won medals at the 43rd International Physics Olympiad (IPhO) held in Estonia in July.

This prestigious annual competition attracted 378 students from 81 countries, who were asked to sit intensive theoretical and laboratory examinations. The team from Hong Kong proudly walked off with two gold medals, two silver medals and one bronze.

All five students are members of the Hong Kong Academy for Gifted Education (HKAGE). "The good results this year mark the success of co-operation amongst the HKAGE, the Hong Kong University of Science and Technology and the Education Bureau," said a spokesman.

Meet the medal winners...

Five secondary students represent Hong Kong at the 43rd International Physics Olympiad in Estonia.

From left:

- Chan Cheuk-lun of La Salle College (silver medallist)
- Lam Ho-tat of Pui Shing Catholic Secondary School (gold medallist)
- Lai Kwun-hang of Shatin Pui Ying College (silver medallist)
- Fung Tsz-chai of Po Leung Kuk Centenary Li Shiu Chung Memorial College (gold medallist)
- Lo Hei-chun of Chan Sui Ki (La Salle) College (bronze medallist)



●●● Culture

Liverpool Biennial first

Hong Kong is staging its first exhibition at the Liverpool Biennial, the largest international contemporary art festival in the UK.

The Hong Kong exhibition, entitled *All Are Guests*, features the works of local artists Leung Mee-ping and Chow Chun-fai and local design team CoLAB x SLOW. It explores the intricate relationship between the individual and the city in response to the theme of the 2012 Liverpool Biennial, 'hospitality'.

Curated by the Hong Kong Museum of Art, the *All Are Guests* exhibition is jointly presented by the Leisure and Cultural Services Department and the Hong Kong Arts Development Council (ADC).

Speaking at the opening ceremony on 14 September, the Chairman of the ADC, Mr Wilfred Wong, said he hoped the exhibition would provide a platform for Hong Kong artists to "showcase their work and share their creativity with their overseas counterparts and art lovers".