

For discussion

LegCo Panel on Commerce and Industry

**Participation of Hong Kong Traders in the
World Watch, Clock and Jewellery Fair 2003 in Zurich/Basel**

The World Watch, Clock and Jewellery Fair 2003 was held in Zurich and Basel, Switzerland from 3 to 10 April 2003. The annex to this paper informs Members of the sequence of events leading up to Hong Kong's withdrawal from the Fair.

Commerce, Industry and Technology Bureau

April 2003

Sequence of Events
leading up to Hong Kong's withdrawal from
the World Watch, Clock and Jewellery Fair at Basel/Zurich 2003

No.	Time & Date	Event
1.	July 2002 – March 2003	Hong Kong delegation formed. Over 300 local companies registered as exhibitors under the auspices of HKTDC. HKTDC made tremendous efforts in both global publicity and booth design with a view to deriving maximum exposure for Hong Kong's new location. ¹
2.	March 2003	<p>Atypical Pneumonia (AP) cases have been reported in Hong Kong and in other cities in the region. Based on advice on precautionary measures issued by the Hong Kong Department of Health and the World Health Organization (WHO), HKTDC provided clear guidelines for all Hong Kong Pavilion delegates before their departure for Switzerland and discussed with the Fair Organizer the preparation of precautionary measures.</p> <p>Close communication with the Swiss Consulate-General in Hong Kong maintained. No change of policy or hint of any change of policy in relation to admission of travellers to Switzerland was ever brought to HKTDC's attention.</p>
3.	2:30 pm, 31 March 2003 HK time	Mr. Frederick Lam, Deputy Executive Director, HKTDC spoke to Acting Swiss Consul-General in Hong Kong to enquire on any possible measures that the Swiss Government might be considering which could hinder Hong Kong's participation at the Basel Fair. The Acting Consul-General said he was not aware of any and undertook to brief his Government on measures taken by the HKSAR Government in combating this issue.
4.	4:00 pm, 31 March 2003 Swiss time (or 10:00 pm, 31 March 2003 HK time)	<p>HKTDC's senior staff arrived at Zurich as advanced party. Confirmation obtained from the Fair Organizer at a meeting that Hong Kong's participation would be in order.</p> <p>HKTDC also obtained the Fair Organizer's agreement to HKTDC's proposed set of procedures for handling any suspected case of AP in the fairground.</p>
5.	6:00 am, 1 April 2003 Swiss time (or 12 noon, 1 April 2003 HK time)	The first group of delegates arrived at Zurich Airport and was allowed to enter Zurich without any restriction by Swiss Immigration. They were not even required to fill out any health declaration form.

¹HKTDC has been sending an official delegation to Basel Fair since 1986. The Hong Kong Pavilion has been relocated several times since then, yet was within the Basel fairground. In September 2001, the fair organizer announced the "One Show, Two Locations" concept, planning to move all national pavilions to the new venue in Zurich starting in 2003. In April 2002, the location of Hong Kong Pavilion in Zurich was chosen in consultation with the trade.

No.	Time & Date	Event
6.	3:00 pm, 1 April 2003 Swiss time (or 9:00 pm, 1 April 2003 HK time)	The CEO of Fair Organizer met with HKTDC's senior staff to discuss details of opening ceremony on 3 April, confirming that Hong Kong's participation would be in order.
7.	5:30 pm, 1 April 2003 Swiss time (or 11:30 pm, 1 April 2003 HK time)	On the same afternoon, after almost all the Hong Kong delegates departed for Zurich, HKTDC was suddenly notified in Basel by the Fair Organizer that the Swiss Government had just issued a decree stipulating that the Fair Organizer must ensure that exhibitors "neither employ nor engage" people who had been in the "AP-affected" areas (Chinese Mainland, Hong Kong, Singapore and Vietnam) after 1 March. Penalties for infringement included imprisonment. Should there be any appeal, the prohibition would still have effect during the appeal process.
8.	Morning 2 April 2003 HK time	Immediately upon learning of the prohibition imposed by the Swiss Government from the HKTDC, SCIT called in the Swiss Consul-General to express HKSAR Government's dissatisfaction over the ban and to request his government to take speedy measures to rescind the ban. On the same afternoon, SCIT formally wrote to the Swiss CG expressing HKSARG's concerns and our request for a speedy resolution of the matter.
9.	morning 2 April 2003 Swiss time	WHO's announcement of the travel advice recommending that persons travelling to HKSAR and Guangdong Province consider postponing all but essential travel.
10.	1 April evening to 3 April 2003 Swiss time	HKTDC's attorney was in touch with relevant Swiss authorities and Fair Organizer to negotiate for an appeal.
11.	2 April 2003 Swiss time	HKTDC immediately appealed against the ban, arguing that the decree was issued too late and was "sweeping and unreasonable", and that our exhibitors had already submitted themselves fully to measures imposed on international travellers by the health authorities and airlines. HKTDC also proposed that all Hong Kong delegates would be prepared to undergo a medical check. Heads of Hong Kong's jewellery and watch trade associations, who were also in Zurich with the Hong Kong delegation, fully supported HKTDC's efforts to find a solution.
12.	10:30 am, 2 April 2003 Swiss time	Mr. Frederick Lam of HKTDC held a meeting with the CEO of the Fair Organizer to push for an appeal against the decree.
13.	11:00 am, 2 April 2003 Swiss time	At the Basel Fair official press conference, Mr. Frederick Lam formally expressed HKTDC's strong protest against the decree to a wide audience of international press. There was wide support for Hong Kong's case in the Swiss and other European media.

No.	Time & Date	Event
14.	2:00 pm, 2 April 2003 Swiss time	Together with Chairmen of the five major jewellery and watch associations, Mr. Frederick Lam hosted an independent press conference in Basel to clear Hong Kong's position further to the international and local media.
15.	6:00 pm, 2 April 2003 Swiss time	The Swiss Government representatives, together with the CEO of the Fair Organizer, held a meeting in Zurich with all exhibitors concerned to explain the decree and were confronted with strong protest from exhibitors. HKTDC, on behalf of the Hong Kong exhibitors, requested the Swiss Government to review the decree and to give an answer to exhibitors by 2:00 p.m. the following day (Swiss time).
16.	Afternoon, 3 April 2003 HK time	<p>SCIT spoke with the Swiss Federal Minister of Economic Affairs, Mr. Joseph Deiss, on the phone and urged the Minister to use his influence to resolve the matter.</p> <p>The same day, Hong Kong's four major industrial and commercial associations – the Chinese General Chamber of Commerce, the Federation of Hong Kong Industries, the Chinese Manufacturers' Association of Hong Kong and the Hong Kong General Chamber of Commerce – sent a joint letter to the Swiss Consul-General in Hong Kong protesting against the decision and pressing for a resolution.</p>
17.	9:00 am, 3 April 2003 Swiss time	Exhibition opened, but the Swiss authorities were not able to provide a solution to the issue.
18.	10:30 am – 12:00 noon, 3 April 2003 Swiss time	HKTDC continued the negotiation with the Fair Organizer, pressing for finalizing a set of feasible precautionary health measures for the exhibitors to follow.
19.	3:00 pm, 3 April 2003 Swiss time	<p>The Swiss authorities put forward a new proposal after the Fair had opened, incorporating complicated precautionary health measures which, if implemented, would not allow Hong Kong exhibitors to start business before 6 April at the earliest, when the Fair would have already been half over.</p> <p>Following consultation with the exhibitors on the ground, a decision was reached to withdraw Hong Kong's participation from the Fair.</p>
20.	10:30 p.m. 3 April 2003 HK time	Upon knowing the results of TDC's negotiations with the Swiss authorities, SCIT issued a press statement immediately expressing our disappointment over the Swiss decision.
21.	3 April 2003 HK time	The six Hong Kong watch and jewellery trade associations sent a joint letter from Zurich to the Chief Executive and SCIT, requesting Government's intervention in this issue.

No.	Time & Date	Event
22.	morning 4 April 2003 HK time	SCIT met with the Swiss CG again to express the HKSARG's grave concern over the way the Swiss government had handled the matter and the unreasonable health measures adopted.
23.	4 April 2003 Swiss time	HKTDC instructed its lawyer to write to the fair organiser to the effect that HKTDC and the Hong Kong exhibitors reserved their right to claim for any damages arising as a result of the incident.
24.	7 April 2003 HK time	SCIT wrote formally to the Swiss President and Minister of Economic Affairs expressing HKSARG's regret that the measures were discriminatory and beyond reasonable proportions.
25.	8 April 2003 Swiss Time	Reply letter from Swiss President.
26.	8 April 2003 Swiss Time	Reply letter from Swiss Minister of Economic Affairs.
27.	9 April 2003 Swiss time	At the official committee meeting for international and Swiss exhibitors held in Basel, the Chairman of the Exhibitors Committee, Mr. Jacques Duchene expressed regrets over the Swiss Government's decision. All Committee Members (Spain, U.K., Austria, France, Germany, Switzerland, Italy, Belgium) expressed deep sympathy for Hong Kong, and requested the Chairman to write an official letter as a sign of solidarity with the countries concerned.