

(Translation)

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LEGCO QUESTION No. 3
(Written Reply)

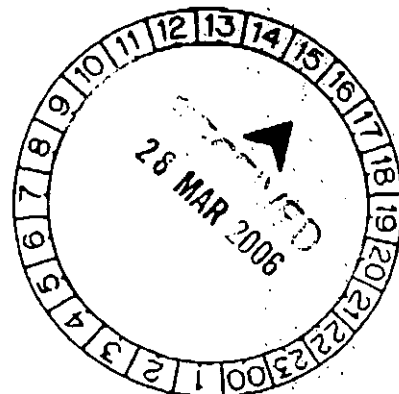
Asked by Hon WONG Ting-kwong Date of meeting : 29 March 2006

Replied by : Secretary for Commerce,
Industry and Technology

Question

It has been reported that, in his Report on the Work of the Government, delivered at the Fourth Session of the Tenth People's Congress of the province, the Governor of Guangdong Province pointed out that Guangdong would continue to make joint efforts with the governments of Hong Kong and Macau this year to promote inward investment and present the Greater Pearl River Delta to the world through overseas visits. The investment promotional efforts would target at large enterprises in developed countries and regions such as the United States, Japan, Europe and South Korea. Regarding the cooperation plans between the governments of Guangdong Province and Hong Kong, will the Government inform this Council of:

- (a) the results of the economic and trade cooperation forum in the United States and Canada jointly held for the first time by the governments of Guangdong and Hong Kong last year;
- (b) the specific arrangements for the investment promotion visits to countries and regions including the United States, Japan, Europe and South Korea this year; and
- (c) whether the governments of Guangdong and Hong Kong will draw up any long term plan to jointly promote external economic and trade cooperation; if they will, of the details of the plan; if not, the reasons for that?



Reply

Madam President,

In the past few years, Invest Hong Kong (InvestHK) and the authorities in the Pearl River Delta region (PRD) have jointly conducted a series of overseas investment promotional activities to enable overseas companies to better understand the close economic and trade relationship between Hong Kong and PRD, their economic prospects and the advantages of the Greater PRD as an ideal destination for foreign investment. Through these activities, InvestHK encourages overseas companies to set up regional headquarters or regional offices in Hong Kong and locate their manufacturing process in the Greater PRD (including Hong Kong) in the light of their business needs.

2. InvestHK has identified a number of potential foreign investors from the promotional activities jointly organized with the Mainland provinces and cities (including PRD), and has been following up with them proactively. As at end of 2005, a total of 23 investment projects generated from such activities had been successfully completed, and another 81 projects were being pursued.

3. My replies to the three parts of Hon Wong Ting-kwong's question are as follows -

- (a) The authorities of the Hong Kong Special Administrative Region (HKSAR) and the Guangdong Province jointly organized the Hong Kong-Guangdong business seminars in San Francisco and Vancouver last year to encourage American and Canadian businessmen to invest in Hong Kong and the Guangdong Province. The Chief Executive and the Financial Secretary spoke at the respective seminars in Canada and the United States, highlighting to the local investors the latest development in the Greater PRD, in particular the investment opportunities that Hong Kong and Guangdong could bring to North American companies under the Mainland and Hong Kong Closer Economic Partnership Arrangement. The two seminars each attracted over 1 000 local participants. To enhance the effectiveness of these promotional efforts, InvestHK made use of these events to organize concurrently Hong Kong Investment Environment seminars, introducing to the American and Canadian companies Hong Kong's role as a springboard to enter the Mainland market. InvestHK is

proactively following up cases in which the interest in investing in Hong Kong has been expressed.

- (b) InvestHK will continue to closely cooperate with the Guangdong Province and other cities to conduct the following joint overseas activities this year, -

<u>Month</u>	<u>Partners</u>	<u>Location</u>
March	Guangzhou City	Stockholm, Sweden
April	Dongguan City	Copenhagen, Demark
	Zhuhai City	Florence, Italy
May	Shenzhen City	Seoul, Korea
	Jiangmen City	San Diego, United States
September	Foshan City	Dusseldorf, Germany
	Guangdong Province	Paris, France

- (c) To strengthen cooperation, InvestHK and the Department of Foreign Trade and Economic Cooperation of Guangdong meet on a regular basis to discuss the direction and mode of future cooperation. Both parties are discussing in detail the cooperation plan for this year and have commenced the preparatory work for the aforementioned promotional activity to be held in Paris this year.

Ends