

**Information Paper for
LegCo Panel on Commerce and Industry**

**Reports on the Work of the Overseas
Hong Kong Economic and Trade Offices**

This paper informs Members of the work of the eleven overseas Economic and Trade Offices (ETO) since our last report in June 2009. The work reports of individual ETOs are set out in the following Appendices –

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Commerce and Economic Development Bureau
June 2010

Report on the Work of the Geneva ETO

The main function of the Geneva ETO is to represent Hong Kong, China (HKC) as a Member of the World Trade Organization (WTO). It also represents HKC as a Member in the International Textiles and Clothing Bureau (ITCB)¹ and the Advisory Centre on WTO Law (ACWL)², and as an observer to the Trade Committee of the Organization for Economic Cooperation and Development (OECD) in Paris.

Commercial Relations

2. The global financial and economic crisis has brought some major challenges to the international trade system and the WTO as its guardian. Owing to the contraction in global demand and drying up of trade finance during the crisis, international trade registered a significant drop of 12% in 2009, the sharpest decline since World War II. There was also a lingering concern over a potential outbreak of widespread protectionism amid the economic downturn and high levels of unemployment. Against this economic backdrop, leaders around the world pledged their resolve to conclude the Doha Development Agenda (DDA) negotiations early and to fight against protectionism, which remained two key areas of work of the WTO in 2009. The Geneva ETO participated actively on these two fronts.

3. Regarding the DDA, a string of political pronouncements by world leaders at various summits looked to inject fresh political impetus into the negotiations. Following a well-structured work programme rolled out by the WTO Director-General in September 2009, the Geneva ETO and other WTO Members proactively addressed the outstanding issues in an effort to bring the DDA negotiations to an early conclusion. On non-agricultural market access, apart from those meetings which were open to all WTO Members, the Geneva ETO participated in a series of small-group meetings convened by the negotiating group Chair to identify possible ways to take forward the numerous proposals aimed at reducing non-tariff barriers across product sectors. In the services negotiations, we worked with other like-minded WTO Members to avoid any back-tracking from the signals of potential market access commitments that had been indicated during the Signalling Conference held during the Ministerial Meeting in July 2008. We also helped to advance the negotiations on developing possible disciplines in domestic regulation, clarifying GATS rules, and drawing up a framework for providing special and differential treatment for the least developed countries.

4. In the anti-dumping negotiations, apart from advancing Hong Kong's offensive trade interests in further clarifying the relevant trade rules, the Geneva ETO joined hands with other allies and, in a bid to reinvigorate the process, put forward a joint statement in November 2009 underscoring the importance of the negotiations and calling for full engagement by Members. In respect of trade facilitation, the Geneva ETO continued to play a bridging role and to work closely with other WTO Members to build consensus, helping to

¹ The ITCB is an international governmental organisation based in Geneva, currently comprising 19 developing, exporting members of textiles and clothing products.

² The ACWL is an international governmental organisation based in Geneva providing legal assistance and legal training concerning WTO laws to its developing and least-developed country members.

pave the way for the issue in December 2009 of a consolidated text as the basis for further negotiations.

5. While some headway was made in certain areas, major differences remained among some key WTO Members, particularly on less-tractable issues, such as the mechanism for triggering special safeguards for agricultural products, and additional market access to certain industrial goods sectors in major emerging economies. A deal has yet to be reached. Notwithstanding the absence of a major breakthrough, trade ministers agreed to meet at the seventh session of the WTO Ministerial Conference in Geneva in November/December 2009 to review the state of play and the role of the WTO in the current global economic climate. At the Conference, ministers collectively reiterated their resolve to reach an early conclusion of the Round. The Secretary for Commerce and Economic Development (SCED) attended the Conference and exchanged views with her counterparts on how to take the negotiations forward. The Geneva ETO provided her with support at the Conference, and participated actively in the subsequent stock-taking exercise, which ministers had decided to hold to review the progress made so far, and to map out the way forward.

6. On the anti-protectionism front, the Geneva ETO continued working closely with other WTO Members in the struggle against protectionism. Apart from taking part in the WTO's monitoring exercise on trade-restrictive measures taken in response to the crisis, the Geneva ETO contributed to the related discussion on enhancing the surveillance and information systems at the WTO. Moreover, we coordinated a group of Members to draw up a ministerial declaration, calling on other trading partners to refrain from taking any new trade-restricting measures and to expedite actions to conclude the DDA. The declaration was made by SCED and the ministers of ten other countries at the OECD Ministerial Council Meeting (MCM) in Paris in June 2009.

7. Separately, in a bid to help strengthen the efficient functioning of the WTO, the Geneva ETO joined other like-minded Members in developing a proposal which suggested some possible areas for further improvement. While there were divergent views among the membership on the objectives of the review, the exercise helped stimulate a discussion on the need for the WTO to improve itself to meet the challenges ahead, and the ways in which this might be done. Meanwhile, the Geneva ETO continued to participate in the work of the regular WTO committees and bodies. In particular, we took part in the routine trade policy peer reviews of eight other WTO Members, and closely monitored those dispute settlement cases of interest to Hong Kong. In his personal capacity, the Permanent Representative, Geneva (PRG) continued to chair the Working Group on Trade, Debt and Finance, which considered a range of issues aimed at easing the tightening of trade finance during the financial and economic crisis. Following the completion of his term, PRG was elected by the WTO Membership to serve as the Chairman of the Council for Trade-related Aspects of Intellectual Property Rights.

8. Outside the WTO, the Geneva ETO participated in the work of the Trade Committee of the OECD throughout the past year. We supported the attendance of SCED at the OECD's MCM and the Informal Ministerial Meeting hosted in the margins by Australia. Separately, PRG continued to chair the Council of the ITCB and steered it through the implementation of several initiatives for the textiles and clothing industry. We also participated in the work of the ACWL, with PRG joining its Management Board in 2009.

Looking Ahead

9. In the coming year, the Geneva ETO will continue our active participation at the WTO in the DDA negotiations, which will likely be intensified as and when the global economy and the domestic political situation for some key players improve. We will also work closely with other bureaux and departments in preparing for HKC's trade policy review in December 2010. In parallel, we will continue to contribute to the work of the OECD, ITCB and ACWL.

Hong Kong Economic and Trade Office, Geneva
June 2010

Report on the Work of the Washington ETO

The main functions of the Washington ETO are to monitor political and economic developments of the United States (US), and to represent Hong Kong's interests in the US capital. The Washington ETO keeps a close watch on legislative proposals, executive actions and general sentiments in the US capital that may affect the interests of Hong Kong. The Washington ETO also promotes Hong Kong's image as an international city with a vibrant and free economy; as well as a diverse and law-abiding community under the "One Country, Two Systems" principle.

US Political Landscape

2. President Obama has pledged to reform the healthcare system since he came into power. The debate over this controversial subject has dominated the domestic agenda in the past year and seriously deepened the divide between Democrats and Republicans. Its passage into law in late March 2010 has reinvigorated the Obama Administration and also cleared the way for Democrats and the Obama Administration to pursue other important items in the legislative agenda, including financial regulatory reform, climate change legislation, food safety legislation, job creation, and immigration reform.

3. However, the healthcare reform debate has weakened support for the Democratic Party, particularly amongst independents, as many worry that the reform would lead to an increase of their medical insurance cost as well as an up-tick in their tax. Coupled with heightened concern by the general public about the worsening public fiscal position, many polls are indicating that the Democrats will sustain big losses in both houses of Congress in the mid-term elections in November 2010.

Commercial Relations

4. The Washington ETO helps foster Hong Kong-US commercial relations through engaging federal agencies, Congressional offices and other opinion-formers to discuss matters of common interests; facilitating bilateral trade consultations; and monitoring developments that might affect Hong Kong's trade and economic interests.

5. The Washington ETO continued to keep a close eye on and report significant developments in the US which might potentially affect trade between the US and its key trading partners including Hong Kong. These issues included proposed legislation to enhance enforcement of US trade laws; bilateral and multilateral trade negotiations involving the US and its trading partners; major anti-dumping and countervailing cases against China; export control issues; food and product safety issues; climate change bills; key developments in the US market and the US economy; as well as major trade disputes of the US. Regarding trade issues which would have a direct impact on Hong Kong, the Washington ETO closely monitored the stance of different stakeholders and liaised with the US Administration, Congress, and the business community with a view to gaining a better understanding of the US's position and explaining Hong Kong's stance.

6. Over the past year, Hong Kong actively monitored a number of bills initiated by the US Congress to enhance international tax enforcement which may have an impact on

international financial institutions. The Washington ETO maintained close contacts with key interlocutors in the US Administration, Congress and think-tanks to share with them Hong Kong's commitment to tax transparency and new measures introduced by Hong Kong to meet the international standards of transparency and to facilitate exchange of tax information with overseas taxation authorities.

Public Relations

7. The Washington ETO engaged its interlocutors on a regular basis to update them on the political and economic situation in Hong Kong. In particular, interlocutors were assured that Hong Kong continued to enjoy a high degree of autonomy under the "One Country, Two Systems" principle. The Commissioner, USA also made trips to various states and cities across the US to call on state and municipal officials, corporate America, academia, think-tanks; to conduct talks at chambers of commerce and universities; and to attend media interviews to explain Hong Kong's latest developments and to present to them the opportunities Hong Kong could offer for US business community and tourists.

8. During the reporting period, the Washington ETO organised a number of events to raise the profile of Hong Kong. In July 2009, the Washington ETO, in conjunction with the Smithsonian Institution's Freer Gallery of Art, presented the 14th Annual Made in Hong Kong Film Festival, and hosted a reception-cum-premiere for the Film Festival. In February 2010, the ETO held its annual Spring Reception, which attracted over 700 guests from the Administration, Congress, think-tanks, and diplomatic circle. In addition, receptions were held for Congressional staffers and various organizations (e.g. the Maryland-China Business Council and, the Eurasian Center/Eurasian Business Coalition) to convey the Hong Kong messages to the professional and international community in Washington, DC.

9. In March 2010, the Secretary for Financial Services and the Treasury visited Washington, D.C. to meet with the Chairman of the Federal Reserve, the Chairman of Securities and Exchange Commission, and the Managing Director of the International Monetary Fund to update them on the latest economic situation in Hong Kong and to exchange views on issues of mutual interests regarding the global financial market. The Washington ETO also assisted in visits to Washington by the Chief Executive, Hong Kong Monetary Authority in April 2010; Permanent Secretary for Education in May 2010; and Permanent Secretary for Financial Services and the Treasury (Financial Services) in June 2010.

Looking Ahead

10. Although there are signs that the US economy is on the road to recovery, the unemployment rate in the US is still on the high side, hovering around 10%. With the 2010 mid-term elections approaching, interest groups are stepping up their efforts to lobby the US Administration and Congress to institute measures to protect domestic industries and US jobs. Given its role as a major contributor to the US's huge trade deficit, China will remain a clear target of any protectionist measures under contemplation by the US. Notwithstanding Hong Kong's healthy economic and trade relations with the US, the Washington ETO will remain vigilant against any uncertainties in US-China political and trade relations spilling over to Hong Kong. We will also closely monitor any new policy initiatives rolled out by the US Administration/Congress which may affect Hong Kong.

Hong Kong Economic and Trade Office, Washington
June 2010

Report on the Work of the New York ETO

The New York ETO promotes economic and trade relations between Hong Kong and the 31 states in the East Coast region of the US through building partnership with major think-tanks and business/professional bodies. Moreover, the ETO maintains its outreach to its interlocutors through e-newsletters and various public relations efforts.

Commercial Relations

2. Over the past 12 months, the New York ETO organised a series of business events and speaking engagements to promote the rule of law in Hong Kong, as well as our strengths as a major financial and trading centre and the gateway to Mainland China and the rest of Asia. The New York ETO also took the initiatives to showcase the strengths of Hong Kong's financial fundamentals and efforts in diversifying the city's economy in the wake of the 2008 global economic crisis.

3. Since June 2009, the New York ETO assisted the visits of 12 U.S. official/trade delegations to Hong Kong. These include political leaders, state officials, businessmen and prominent academics. We also arranged visit programmes for another seven individual visitors from think-tanks, the academia and government agencies, including three sponsored visitors.

4. In September 2009, the Financial Secretary and the Hong Kong Monetary Authority officials attended the G-20 Summit in Pittsburgh, Pennsylvania as part of the Chinese delegation. In January 2010, the Chief Secretary for Administration visited New York City to meet with senior executives of major art and cultural institutes in New York. He also visited the Lincoln Center and the Museum of Modern Arts; and officiated at a reception which showcased Hong Kong's art and cultural heritage. In March, the Secretary for Financial Services and the Treasury visited New York City to brief leaders in the financial sector the latest economic performance in Hong Kong and to exchange views on the global economic recovery and the governments' rescue measures. He spoke at the New York Stock Exchange on Hong Kong's latest economic developments and outlook. The New York ETO also arranged meetings for Permanent Secretary for Education in May 2010; and Permanent Secretary for Financial Services and the Treasury (Financial Services) in June 2010 when they visited New York.

5. During the reporting period, the Commissioner for Economic and Trade Affairs, USA (C, USA) and the Director of New York ETO (D(NY)), visited 13 states, namely Alabama, Delaware, Florida, Georgia, Illinois, Maryland, Massachusetts, Michigan, New York, Pennsylvania, Rhode Island, South Carolina, and Virginia to call on Governors and meet with the opinion leaders in the academic, business and political communities to foster and strengthen economic and trade ties; and to conduct media interviews.

Public Relations

6. Hong Kong's unique blend of "East meets West" cultural tradition was the main theme in a concert entitled "Hong Kong Celebrates the Year of the Tiger", held respectively in Chicago (February 2010) and Atlanta (March 2010). The concert featured Hong Kong

musicians from the Windpipe Ensemble performing contemporary and classical music on Chinese instruments. The concert repertoire included a special multi-media presentation “Tiger Sketch”, composed specifically for the Lunar New Year. In Chicago, the Hong Kong musicians also explored the fusion of Chinese and Western music with musicians from Chicago’s Fulcrum Point New Music Project.

7. Under the sponsorship of New York ETO and other organizations, the Hong Kong Chinese Orchestra made its debut at the world-renowned Carnegie Hall in New York in October during the 21-day “Ancient Paths, Modern Voices: A Festival Celebrating Chinese Culture” event. The orchestra was the only Hong Kong group featured among the festival’s 30-plus events.

8. The New York ETO also promoted other aspects of Hong Kong’s creative industry, arranging for 25 Hong Kong films to be prominently featured at major US film festivals, including the New York Asian Film Festival, the Chicago International Film Festival, and the Atlanta Asian Film Festival. Veteran filmmaker Mr. John Woo and new generation Hong Kong filmmakers, including Messrs. Wai Ka-Fai and Mak Hei-yan, were among guests honored at the festivals. Mr. John Woo’s epic drama “Red Cliff” made its US premiere at the Chicago International Film Festival.

9. Continuing the various promotional and outreach efforts across the 31 states in the East Coast, the New York ETO was the major sponsor of the Hong Kong Dragon Boat Festivals in Boston in June 2009, New York in August 2009, in Atlanta in September 2009.

10. New York ETO also provides regular update on Hong Kong through its electronic newsletter “Hong Kong Digest” to more than 4,000 contacts of the office.

Investment Promotion

11. The Investment Promotion Unit (IPU) in New York pursued an intensive investment promotion programme targeted at those sectors on the East Coast and Midwest with high outward investment potential. From June 2009 to March 2010, the IPU met with 316 companies and assisted 24 companies to establish business operations in Hong Kong. The strong performance was in part the result of heightened interest in Asian locations on the part of the East Coast alternative investment sector, particularly hedge funds and prime brokers. On 1 June 2009, the New York IPU hosted the Hong Kong-Shenzhen Joint Promotion Seminar which drew over 300 attendees. The program focused attention on the opportunities arising for US investors from the growing integration of the Hong Kong financial markets with the Mainland.

Looking Ahead

12. The New York ETO will maintain its drive to promote Hong Kong’s strengths through out-of-state visits by C, USA, and D(NY), discussion forums, publicity events, and newsletters.

Hong Kong Economic and Trade Office, New York
June 2010

Report on the Work of the San Francisco ETO

The San Francisco ETO is responsible for promoting the economic and trade interests of Hong Kong (HK), and strengthening economic ties and network between HK and the 19 states west of the Mississippi River in the United States (US).

Commercial Relations

2. During the reporting period, San Francisco ETO continued to reach out to the business community, political and government leaders, academic institutions, think tanks and media in US west to promote HK as an international financial, trading, logistics, convention and tourism hub, as well as the two-way platform for overseas corporations to access the China market and for Chinese companies to go global.

3. In June 2009, San Francisco ETO arranged a visit by Secretary for Commerce and Economic Development (SCED) to Redmond and Seattle, Washington; as well as San Jose and San Francisco (SF), California. SCED met Microsoft's senior management to discuss ways for fostering IT development and addressed some 400 guests at the "HK Innovation and Technology Summit" to promote Hong Kong's strategy for developing innovation and technology. She officiated at a reception to promote HK's participation in the Shanghai Expo and the use of smart card technology. Government Chief Information Officer and Commissioner for Innovation and Technology (CIT) also joined SCED for some of her appointments.

4. In January 2010, the Chief Secretary for Administration (CS) visited Las Vegas (LV), Nevada to officiate at a reception organized by the HK Trade Development Council at the 2010 International Consumer Electronics Show. San Francisco ETO also organized a high-level networking luncheon for CS to meet with Nevada dignitaries including Mr. Jim Gibbons, Governor of Nevada; Mr. Ross Miller, Secretary of State of Nevada; and Mr. Oscar Goodman, Mayor of LV.

5. San Francisco ETO also arranged for Commissioner for Tourism to visit the Port of Seattle in August 2009; CIT to SF and Silicon Valley (SV) in February 2010; and Permanent Secretary for Education to Sacramento, Oakland, Berkeley, Los Alto, Palo Alto and SF in May 2010 to meet with their counterparts and visit relevant facilities under their respective portfolios.

6. San Francisco ETO continued to arrange for US influentials to visit HK so that they may see firsthand our latest developments. They included a delegation led by Oregon State Treasurer Ted Wheeler; Dr. Jerrold Green, President of Pacific Council on International Policy; Dr. Demos Vardiabasis, Associate Dean and MBA students of the Pepperdine University; Mr. Perry Wong, Senior Managing Economist, and Mr. Ross DeVol, Executive Director of Economic Research of the Milken Institute; a trade delegation led by Mr. Lyman Hoffman, Alaska State Senator; Dr. Sean Randolph, President/CEO of Bay Area Council Economic Institute; Ms Dawn Haghghi, Assistant General Counsel of the Princess Cruises; a delegation led by Mr. Keith Carson, Chairman of East Bay Economic Development; and Ms Cessa Beckett, Marketing Manager of Napa Valley Vintners.

7. Regarding prominent visitors from Hong Kong, San Francisco ETO organized a business luncheon for Professor Timothy Tong, President of the HK Polytechnic University, in San Francisco in July 2009.

8. As part of our ongoing efforts to spread the HK message, the Hong Kong Commissioner, USA (C,USA) and Director of San Francisco ETO (D(SF)) visited key cities in US west to speak to senior government officials, legislators, think-tanks, business communities, academia and media. The cities visited included Sacramento, Oakland, Berkeley, SV, Napa Valley and Los Angeles, California; Austin, San Antonio, Houston and Dallas, Texas; Honolulu, Hawaii; Denver, Colorado; Helena and Missoula, Montana; LV, Nevada; Seattle, Olympia and Everett, Washington; Salem and Portland, Oregon; as well as Phoenix, Arizona. D(SF) also conducted a talk at the University of California, Berkeley to encourage students to pursue careers and further studies in HK.

Public Relations

9. To promote HK as a wine trading, storage and distribution hub in Asia, San Francisco ETO sponsored an episode of “Wine Portfolio”, a wine lifestyle program. The episode, highlighting developments and potentials of wine industries in Hong Kong, had its debut in September 2009 on CNBC World and was aired on CNBC Asia in October 2009. In addition to filming the Financial Secretary’s keynote address at Napa Valley in April 2009, the crew visited HK to interview government officials, industry leaders, auctioneers and restaurant owners. The episode received rave reviews.

10. To continue reaching out to the winemakers, D(SF) spoke at the annual wine tasting event at Fort Mason organized by the Family Winemakers Association of California in August 2009. The Association represents more than 740 family-owned wineries. D(SF) spoke to the members of the Association’s Board, who expressed interest in the HK market.

11. To promote Hong Kong’s culture and the city as a creative hub, San Francisco ETO sponsored the Hawaii International Film Festival in October 2009 in Honolulu and San Francisco International Film Festival in May 2010 in SF. A total of 10 Hong Kong films were screened; and C,USA and D(SF) spoke on the achievements of our film industry at the receptions.

12. SFETO also sponsored the annual International Dragon Boat Festival held in September 2009 at Treasure Island of SF. San Francisco ETO also published its electronic newsletters, i.e. “e-Hong Kong”, to inform our interlocutors of San Francisco ETO’s major activities and Hong Kong’s latest development.

Investment Promotion

13. During the reporting period, the Investment Promotion Unit of San Francisco ETO visited around 240 companies and assisted 13 companies to establish business operations in Hong Kong. The Unit also organized three major business functions for investment promotion, namely the “HK Innovation and Technology Summit” (see para. 3 above); a business luncheon to promote financial services in February 2010 in SF; and a business networking function in March 2010 in Milpitas, California.

Looking Ahead

14. In the latter half of 2010, San Francisco ETO will continue to organize duty visits and promotional activities to spread the Hong Kong messages. In 2011, San Francisco ETO will celebrate the 25th anniversary of its establishment, and will ride on a series of celebration activities to promote HK.

HK Economic and Trade Office, San Francisco
June 2010

Report on the Work of Brussels ETO

The Brussels ETO represents Hong Kong's economic and trade interests in the European Union (EU), European Commission (EC) and European Parliament (EP); as well as promotes Hong Kong's bilateral economic and trade relations with 15 countries, namely Belgium, Bulgaria, Croatia, Cyprus, France, Greece, Italy, Ireland, Luxembourg, Malta, the Netherlands, Portugal, Romania, Spain and Turkey.

Commercial Relations

2. The Brussels ETO develops Hong Kong's commercial relations with the EC, EU Member States and other European countries seeking accession to the EU. Apart from maintaining a regular dialogue with the EC on various trade, customs and trade-related subjects that are of interest to Hong Kong, the Brussels ETO also monitors new legislation and administrative rules originating in the EU which may have an impact on the commercial interests of Hong Kong and Hong Kong companies.

3. The third annual structured dialogue meeting between the EC and the Hong Kong Special Administrative Region Government was held in Hong Kong in December 2009. The two sides had fruitful exchanges on issues in trade, financial services, competition policy, customs control, environmental protection, as well as food and product safety. It was agreed that close contact and co-operation at all levels be maintained.

4. The Brussels ETO also monitored developments in the textiles trade between the EU and China in the past year. The EC had abolished the "double surveillance licensing system" for imports of Chinese textiles to the EU since January 2009 and steady growth in imports of Chinese textiles was seen since then. The Brussels ETO will continue to monitor further developments in this area and the likely responses taken by the EC and the European textiles trade.

5. The Lisbon Treaty, designed to make the EU more efficient and reinforce European integration, came into force on 1 December 2009. Among others, the EC's competence has been extended to include services and foreign direct investment, whereas the EP has gained new powers under which international trade agreements negotiated by the EC would have to be approved by the EP. The Brussels ETO will continue to monitor further developments on these fronts and other changes within the EU following the implementation of the Lisbon Treaty.

Public Relations

6. The Brussels ETO organised Chinese New Year Receptions across Europe in February and March 2010. To showcase one of the many cultural facets of Hong Kong, we invited a face-changing master from Hong Kong to perform during the Chinese New Year receptions in three cities (namely Brussels, the Hague and Paris). The performance was highly acclaimed by our guests.

7. The Brussels ETO also continued its efforts in promoting Hong Kong films in Europe. The Hong Kong Film Panorama 2009/2010 was held in nine cities (Antwerp, Amsterdam,

Athens, Barcelona, Brussels, Florence, Lisbon, Madrid and Valletta). It was the first time that the Film Panorama was brought to Athens, Florence, Lisbon and Valletta. Apart from showing recent Hong Kong films in the Film Panorama, a repertoire of past productions of the famous Hong Kong director, Tsui Hark, was also screened.

8. The Brussels ETO arranged visits to Europe for a number of Hong Kong senior officials. These visits helped to promote Hong Kong and to facilitate further cooperation with the EU countries. For example, in November 2009, the Brussels ETO organised a visit by the Hong Kong Logistics Development Council delegation led by the Permanent Secretary for Transport and Housing (Transport) to the Netherlands, Belgium and Luxembourg. The visit helped to foster and renew relations between Hong Kong's logistics industry and its counterparts in the three countries. We also provided assistance to a delegation of the Legislative Council visiting Croatia and to another delegation of the Provisional Minimum Wage Commission visiting France in September 2009.

Investment Promotion

9. The Brussels ETO and the Hong Kong Trade Development Council organised a number of business seminars in Bucharest, Dublin and Sofia to promote Hong Kong and our role as a gateway to the Mainland and Asian markets, as well as the business opportunities and support that can be offered by Hong Kong to foreign companies. The seminars were well attended and firms in Bulgaria, Ireland and Romania displayed strong interest in exploring the Mainland market through business partners in Hong Kong and to find new markets in Asia.

10. The Brussels ETO's Investment Promotion Unit (IPU) continued to develop market awareness and visibility of Hong Kong by partnering with major event organisers and local multipliers. In November 2009, it was invited to speak at the Global China Business Forum held in Lisbon, which was attended by over 600 leading executives from around the world. In April 2010, it was invited to speak at the EP to a gathering of Belgian entrepreneurs and a Mainland trade delegation on how Hong Kong can serve as a platform to structure business relations between the two sides. In December 2009, it was invited by the Barcelona municipal government and Casa Asia to speak at a multinational meeting of delegates from Europe, Japan and Kirgizstan held in Barcelona.

11. The Avoidance of Double Taxation Agreement signed between Hong Kong and Belgium, and that with Luxembourg, have been perceived as a useful arrangement by many European firms with plans for Hong Kong. The recent one signed with the Netherlands will certainly give a further boost and the IPU will continue to promote Hong Kong as an attractive city for foreign investors.

Looking Ahead

12. The Brussels ETO will continue to maintain close liaison with interlocutors in various EU institutions and strengthen bilateral ties with European countries covered by the ETO. We will also continue to monitor developments in the EU that are of interest to Hong Kong and organise various kinds of publicity events to further promote Hong Kong.

Hong Kong Economic and Trade Office, Brussels
June 2010

Report on the Work of the London ETO

The London ETO is responsible for promoting Hong Kong's economic and trade relations with nine European countries, namely Denmark, Estonia, Finland, Latvia, Lithuania, Norway, Russia, Sweden, and the United Kingdom (UK).

Commercial Relations

2. The London ETO maintains close liaison with contacts in the governments, trade organisations, business, academic and media sectors and updates them on the latest developments in Hong Kong through regular exchanges, visits and seminars.

3. In collaboration with the Hong Kong Trade Development Council, InvestHK and local trade associations, the London ETO organised and supported 15 business seminars in Belfast, Cardiff, Glasgow, Gothenburg, Helsinki, Hull, London, Malmo, Moscow, Oslo, Riga, Swindon, St. Petersburg, Stockholm and Vilnius to promote advantages and business opportunities of Hong Kong as a springboard to the region.

4. High-level official exchange helps strengthen bilateral ties and commercial relations. London ETO arranged 17 visits to 13 cities during the reporting period. Eight high profile visits were made by five Principal Officials, including the Chief Secretary for Administration's four-day visit to the UK in November 2009, Financial Secretary (FS)'s 11-day visit to Russia, Sweden and the UK in June 2009 and to Vladivostok, Russia in May 2010, Secretary for Commerce and Economic Development (SCED)'s visits to the UK and Finland in June and July 2009 respectively, as well as Secretary for Food and Health's visit to Estonia and the UK in May 2010. The FS visited London again in September 2009 to attend the G20 Finance Ministers and Central Bank Governors' Meeting (G20 FMM) as a member of the Chinese delegation, while the Secretary for the Environment visited Copenhagen, Malmo and Stockholm in December 2009 and attended the UN Climate Change Conference in Copenhagen as a member of the Chinese delegation. We also assisted in nine visits to the UK by the Commissioner, Independent Commission Against Corruption in August/September 2009 and April 2010; Provisional Minimum Wage Commission delegation in October 2009, Chief Executive, Hong Kong Monetary Authority in November 2009 (for the G20 FMM in St Andrews); Under Secretary for Commerce and Economic Development in June 2009; Under Secretary for Education in January 2010; Permanent Secretary for the Environment/Director of Environmental Protection in February 2010, Permanent Secretary for Transport and Housing (Transport) in April 2010 and Under Secretary for Food and Health in May 2010.

Public Relations

5. To promote Hong Kong talents and showcase Hong Kong as an arts and cultural hub, London ETO continues to initiate, organise and support numerous cultural events. Hong Kong Jazz guitarist Eugene Pao and friends gave three performances in London in June 2009. Two arts exhibitions were held at Chinese Arts Centre in Manchester. "The Visible Secrets", a first film festival celebrating Hong Kong's women directors, organised by Cornerhouse showed more than 20 films in Manchester with screenings in 11 UK cities from November 2009 to February 2010.

6. Hong Kong is also featured in several high-profile events in London. The London Hong Kong Dragon Boat Festival held in June 2009 attracted over 40 teams and 20 000 visitors. In November 2009, London ETO made its fifth appearance at the Lord Mayor's Show with Hong Kong's iconic skyline in flag form, along with skaters dressed to represent Hong Kong's street trams. Over 500 000 people along the route watched the Show, which was broadcast to 300 million people around the world.

7. As part of our annual PR programme, London ETO hosted 16 Chinese New Year (CNY) events which included 12 business seminars from February to March 2009 in eight countries. We also sponsored the CNY celebration at Trafalgar Square and Shaftsbury Avenue, which carried the theme "Hong Kong in London Chinatown" featuring the Hong Kong skyline banners and people dressed as trams and Hong Kong's iconic "Star" ferries. We also brought the Chinese literati music tradition to the UK audience by sponsoring a Qin concert in Oxford and London in May 2010.

8. During the reporting period, we sponsored nine visitors including a group of five researcher of the UK Parliament to see the various developments taking place in Hong Kong. One sponsored journalists also visited Hong Kong to report on the Hong Kong International Film Festival. The London ETO also maintained regular liaison with the media, and arranged interviews for visiting senior officials from Hong Kong and for the Director-General of London ETO during her official visits.

Investment Promotion

9. The Investment Promotion Unit in London met 166 companies and successfully assisted 40 companies to set up in Hong Kong in 2009. The Unit continues to be active both in its participation of high-profile business seminars organised by this office or outside organisations, and in organising meetings between senior officials of InvestHK and senior business executives of companies.

Looking Ahead

10. Hong Kong's bilateral relations with the UK, Russia and the Nordics have been growing from strength to strength. Since the implementation of the visa-free arrangement between Russia and HKSAR on 1 July 2009, there has been a significant increase in Russian businessmen and visitors to Hong Kong. The image and profile of Hong Kong in Russia have also been raised as a result of the listing of the Russian aluminium company, RUSAL, in Hong Kong. The coming visit by Secretary for Financial Services and the Treasury (SFST) to St Petersburg in June 2010 and the launching of new direct services between Moscow and Hong Kong by two Hong Kong airlines in summer 2010 will bring our bilateral relation with Russia to new heights. In addition, we welcome the visit by SFST to the London in June, SCED to the Nordic countries in August and FS to London in October. The London ETO will continue promote Hong Kong and to reinforce the message about Hong Kong as a financial, trading, logistics and MICE (meetings, incentives, conventions and exhibitions) hub through business promotion, PR and cultural events.

Hong Kong Economic and Trade Office, London
June 2010

Report on the Work of the Berlin ETO

The Berlin ETO is responsible for promoting Hong Kong's economic and trade relations with eight central European countries, namely Austria, the Czech Republic, Germany, Hungary, Poland, the Slovak Republic, Slovenia and Switzerland. During the report period, Berlin ETO has recruited various teams of local staff to support its full operation based in Germany, and relocated to a longer-term office from a temporary serviced office.

Commercial Relations

2. One of the key initiatives of Berlin ETO during the past 12 months was to promote the cultural and creative industries of Hong Kong. We organised a press conference and a reception in February in Berlin to facilitate the participation of four Hong Kong movies at the 60th Berlinale (Berlin International Film Festival) and promote Hong Kong's film industry. About 250 film producers, directors and agents from the film industry in Germany as well as government officials, diplomats and representatives from business and professional sectors attended the reception and met with the crews from Hong Kong. Reciprocally, a delegation from the Medienbord Berlin-Brandenburg, a regional film development agency in the federal states of Berlin and Brandenburg, visited Hong Kong in March to explore potential joint projects. We also organised seminars in Vienna and Graz, Austria to promote various aspects of Hong Kong as a regional creative centre in October 2009. In the fourth quarter of 2009, we staged two concerts (during the Asia Pacific Weeks 2009 in Berlin and the Euro Finance Week in Frankfurt) to promote young Hong Kong musical talents. In addition, we supported the delegation of Hong Kong Harmonica Association taking part in the World Harmonica Festival 2009 held in Trossingen, Germany. On these occasions, the audiences were briefed on the efforts in promoting the cultural and creative industries in Hong Kong, including the setup of Create Hong Kong.

3. Another major area of work during the report period was to promote Hong Kong as an ideal venue for events, conferences and exhibitions. We met with the relevant authorities and organisers with a view to exploring new opportunities for Hong Kong to host international events; and facilitated the business delegations visiting Hong Kong. Inquiries from major organisers who are interested in organising events in Hong Kong have been referred to the authorities in Hong Kong for follow-up.

4. Berlin ETO assisted the visits made by senior officials from Hong Kong. In October 2009, the delegations led by the Permanent Secretary for Home Affairs and Under Secretary for Commerce and Economic Development participated in the 2009 Frankfurt Book Fair, of which China was the Guest of Honour Country. We also lined up meetings and visits for the delegations on the development of cultural and creative industries with their counterparts in Frankfurt and Vienna.

5. In November 2009, the Secretary for Financial Services and the Treasury (SFST) visited Frankfurt, Germany; Bern and Zurich, Switzerland to update the business and banking communities on the recent developments in Hong Kong, including measures taken by Hong Kong to address the financial crisis; reforms in Hong Kong's regulatory regime; RMB business in Hong Kong; and cooperation with the Pearl River Delta region. During his visit in Frankfurt, SFST attended a high level conference, the Euro Finance Week, and delivered a

keynote speech on “Rebalancing the Global Financial System and the Challenges Ahead”. SFST also met with principal economic and financial policy makers as well as representatives of major banks and business associations of the EU, Germany and Switzerland.

6. During the last 12 months, we organised and attended 43 seminars and workshops promoting the attributes of Hong Kong as a leading commercial centre, particularly on the working of “One Country, Two Systems” and the acclaimed service industry in the major cities in the region. Some of the seminars focused on specific topics on demand, e.g. Hong Kong Pavilion in World Expo 2010 Shanghai, intellectual property rights protection and dispute resolution mechanisms in Hong Kong. The encouraging responses were attended to and followed up closely. We also arranged and facilitated more than 10 senior level visits from the governments and public bodies in central Europe to Hong Kong. In addition, we continued to give briefings on recent developments in Hong Kong to government and public authorities, as well as academic and research institutions in the region. Assistance was also provided in the preparation for and discussions about a Hong Kong-Swiss bilateral trade-related agreement, and the signing ceremony of the Comprehensive Agreement for the Avoidance of Double Taxation between Hong Kong and Hungary.

Public Relations

7. Berlin ETO continued to engage the media in the region to promote the overall image of Hong Kong. We also organised briefings for journalists in the region from time to time to update them on the latest developments in Hong Kong. In addition to press releases, we provided information or articles to newspapers and magazines on different aspects of Hong Kong, e.g. an article on Hong Kong as a Meeting, Incentive, Conferences and Exhibitions destination was recently published in Trade Fairs International in April 2010. We published at regular intervals Hong Kong Update for all of our contacts. Ad hoc electronic updates to cover contingent developments were also issued.

8. Efforts in promoting Hong Kong’s interest through the electronic media were stepped up. A TV documentary “Mythos Hong Kong” was produced and broadcast on the German news channel, n-tv, from December 2009 to January 2010. About 1.5 million viewers watched the programme. There are four episodes covering developments of tourism, economy, politics and creative industry in Hong Kong. The documentary would be broadcast again in the summer of 2010. A special programme on Hong Kong was also produced and broadcast in March 2010 on TV.Berlin.

9. In collaboration with Hong Kong Trade Development Council and the local chambers of commerce in the eight countries under the purview of Berlin ETO, we hosted 11 Chinese New Year receptions between February and March 2010 to consolidate and establish new contacts.

Investment Promotion

10. The Investment Promotion Unit (IPU) of Berlin ETO started its full operation in July 2010. IPU pursued an investment promotion strategy targeting mainly Austria, Germany and Switzerland which had been identified as countries with a higher foreign investment potential due to their economic strengths. In March 2010, the IPU also promoted Hong Kong as an investment destination in a direct mailing campaign in the three countries.

11. Working closely with the multipliers in the region, IPU joined and made presentations at several high-profile events in Basel, Berlin, Budapest, Frankfurt, Hamburg, Munich, Warsaw and Zurich to establish contacts with companies and organisations which are interested in investing in Hong Kong.

12. Berlin ETO also co-organised an investment promotion seminar hosted by InvestHK and Fujian Department of Foreign Trade and Economic Cooperation in Zurich in April 2010, with an attendance of 130 people, promoting Hong Kong and Fujian as an ideal regional partner for foreign investors.

13. During the report period, IPU met and made about 130 presentations to companies which were interested in setting up an operation in Hong Kong. IPU has been following up on 11 projects, three of which have resulted in the setting up of new offices by foreign investors in Hong Kong.

Looking Ahead

14. In addition to continuing to expand its networks in Germany, Berlin ETO plans to strengthen the bilateral trade and economic ties particularly in Switzerland (the second largest trading partner of Hong Kong in the region) and Poland (the only EU member state that recorded a positive growth in 2009). Berlin ETO will allocate more resources on the promotion of the six priority industries, on top of the four pillar industries. It is also planned that Berlin ETO will be officially opened within the next 12 months.

Hong Kong Economic and Trade Office, Berlin
June 2010

Report on the Work of the Tokyo ETO

The Tokyo ETO is responsible for promoting Hong Kong's economic and trade relations with Japan and the Republic of Korea (Korea).

Commercial Relations

2. The Tokyo ETO continued to foster Hong Kong's commercial relations with Japan and Korea through actively engaging politicians, government officials, business leaders, academics, think-tankers and opinion formers in the two countries, and keeping them informed of the political and economic situations in Hong Kong. In addition to activities in Tokyo, the Principal Hong Kong Economic and Trade Representative (Tokyo) also conducted duty visits to other cities in Japan and Korea.

3. A number of promotional seminars were organised to inform the audience of the latest developments and business environment in Hong Kong. These seminars, with audience sizes ranging from 60 to 180, were held at Osaka, Yamanashi, Shizuoka, Kanazawa, Gunma, Toyama, Yokkaichi and Kumamoto in Japan, and Ulsan and Gwangju in Korea. Key messages conveyed through these activities included Hong Kong's responses to the global economic downturn, its unique strengths as an international financial and business centre, and the opportunities that Hong Kong offers as a major gateway to the vast Mainland market. Other liaison and promotional activities included our active engagement of politicians and other opinion formers such as leading Chinese professors in Japan. Following the change of government in Japan in September 2009, we conducted a "recruitment drive" to boost the membership of the Japan HK Parliamentarians League and arranged for League members to meet with the delegation of HK business leaders visiting under the Hong Kong-Japan Business Cooperation Committee. In March 2010, Tokyo ETO organised a Spring Reception where the Secretary for Commerce and Economic and Development addressed an audience of over 450 political, economic, and government leaders and personalities.

4. The Tokyo ETO invited some of the most influential persons from Japan and Korea to visit Hong Kong under the Sponsored Visitors' Programme, including five politicians, two think tank leaders and 12 journalists. The ETO also assisted 17 other individuals/groups in their visits to Hong Kong.

5. The Tokyo ETO also made arrangements for visits to Japan and Korea by 17 Hong Kong delegations. These included the visits by the Secretary for Environment to Tokyo in September 2009, the Secretary for Financial Services and the Treasury to Tokyo and Seoul in November 2009, the Secretary for Food and Health to Tokyo in November 2009, and the Secretary for Commerce and Economic Development to Tokyo in March 2010. Other visits included those by the Director-General of Investment Promotion to Osaka and Tokyo in June 2009, the Legislative Council's Subcommittee on Poverty Alleviation to Seoul in July 2009, the Permanent Secretary for Housing to Tokyo in August 2009, councillors of Tuen Mun and Islands Districts to Tokyo in September 2009, the Social Welfare Advisory Committee to Tokyo in February 2010, and the Business of Design Week and Inno Design Tech Expo delegation led by the Chairman of the Hong Kong Design Centre to Tokyo in March 2010.

Public Relations

6. In July 2009, the Tokyo ETO and the Hong Kong Tourism Board jointly organized the “Hong Kong Week at Roppongi Hills” as part of the activities of the 2009 Hong Kong-Japan Tourism Exchange Year (HKJTEY). The variety of activities included seminars, thematic talks by celebrities, cultural classes, food and wine tasting sessions and musical performances by Bagpipers of the Hong Kong Police Force.

7. To enhance Hong Kong’s profile as the host city of the 5th East Asian Games, Tokyo ETO hosted large-scale receptions in Tokyo (August 2009) and Seoul (September 2009) with strong support from the respective governments and sports communities of the two countries.

8. For the third year running, Tokyo ETO successfully organised the “Hong Kong Cup – All Japan University Students’ English Speech Contest” using Hong Kong themes to encourage cultural exchange and promote better understanding of Hong Kong among the Japanese youth. Other cultural/liaison activities included the annual “International Dragon Boat Race – Hong Kong Cup” in Yokohama in June 2009, sponsorship of two Asian Youth Orchestra concerts in celebration of the HKJTEY in August 2009, a presentation on Hong Kong for Showa Women’s University Open College participants in December 2009, outreach talks at universities, and student gatherings at the ETO, etc.

Investment Promotion

9. During the report period, the Investment Promotion Unit (IPU) of Tokyo ETO conducted seven investment promotion visits to eight regional cities in Japan to brief local chambers of commerce and government officials on the investment environment in Hong Kong and to visit potential investors. It also participated at a joint promotion seminar organized by InvestHK and Foshan city government in Osaka in June 2009. In this report period, the IPU assisted 12 Japanese companies to set up offices or expand operations in Hong Kong.

Looking Ahead

10. The Tokyo ETO will continue to publicize Hong Kong’s strengths and foster closer bilateral relations with both Japan and Korea. In addition to promoting Hong Kong as an international financial and business centre, and the opportunities that it offers to overseas businesses and talent, we will conduct focused promotion activities to highlight Hong Kong’s education services, and the attractions of its natural environment. Also, as Japan and Korea plays host to APEC and G20 respectively this year, we will render support as and when necessary to Hong Kong delegations attending relevant high level meetings of these forums in Japan and Korea.

11. The Tokyo ETO will continue to monitor political and economic developments in Japan and Korea, and assess impacts (if any) of such developments on Hong Kong.

Hong Kong Economic and Trade Office, Tokyo
June 2010

Report on the Work of the Sydney ETO

The Sydney ETO is responsible for promoting Hong Kong's economic and trade relations with Australia and New Zealand.

Commercial Relations

2. In addition to its work on the promotion of the commercial and trade interest, Sydney ETO continued to promote Hong Kong as a wine trading and distribution hub in this period. A senior executive of the Australian Wine & Brandy Corporation visited Hong Kong under the Sponsored Visitors' Programme and assistance was provided to the Department of Primary Industries in New South Wales for leading a delegation from the wine industry to take part in the Hong Kong International Wine and Spirits Fair. The strength of Hong Kong as a wine hub was also promoted in activities organized in collaboration with the Hong Kong Australia Business Association, the Hong Kong New Zealand Business Association and at various briefings to the wine industry, including the Wine Marketing Australasia Conference in June 2009.

3. The Sydney ETO ensured that our interlocutors were kept abreast about the economic situation in Hong Kong, through monthly e-newsletters, media and business briefings, receptions and various networking events. At the receptions celebrating the Chinese New Year which were graced with the presence of the South Australian Premier, Mike Rann, and Victorian Premier, John Brumby and other leading politicians, government officials, business leaders and investors to Hong Kong this year, the Sydney ETO highlighted the unique role of Hong Kong as both the international financial centre in China and the gateway to China. Following the announcement of the 2010-11 Budget, the Sydney ETO held Budget briefings to explain the potential of Hong Kong arising from its further economic integration with the Pearl River Delta Region.

Public Relations

4. The Sydney ETO continued to proactively reach out to political leaders and government officials to promote Hong Kong. Announcement by South Australian Premier, Mike Rann of the presentation of koalas as gift to Hong Kong in February 2010 marked a further strengthening of the relationship between South Australia and Hong Kong. To raise the profile of Hong Kong among politicians in Australia, the Sydney ETO provided a briefing to a delegation of federal MPs prior to their official visit to Hong Kong in November 2009.

5. The promotion of Hong Kong as a financial centre and cultural hub was an important promotion theme of the Sydney ETO. During his official visit to Australia in October 2009, the Chief Secretary briefed Australian business executives at a Hong Kong-Guangdong joint business conference on business opportunities that Hong Kong offered to investors. He also visited Melbourne's iconic arts and culture venues and met local officials to learn about Melbourne's vibrant cultural precincts.

6. In April 2010, the Sydney ETO sponsored the "Hong Kong – Asia's World City-George Ryder Stakes" at the Golden Slipper Day in Sydney - one of the biggest events on the international racing calendar. The event provided a strategic platform for the Sydney ETO

to raise Hong Kong's profile among the top echelon of private and public sectors, including government ministers, heads of government departments, CEOs of major corporations, chairman of business chambers and influential personalities.

7. On cultural promotion, the Sydney ETO participated in three major film festivals in Australia (Sydney, Brisbane and Adelaide) at which a selection of Hong Kong films was screened. It also collaborated with major city councils and business associations in presenting Hong Kong film festivals. In September 2009 and March 2010, the Sydney ETO sponsored the Hong Kong Week organised by the Hong Kong New Zealand Business Association and the Hong Kong Australia Business Association (Western Australia Chapter) respectively in Auckland and Perth. The Sydney ETO also participated in the Lantern Festival in Auckland and the City of Sydney Chinese New Year Festival Twilight Parade, both very popular large-scale cultural events, to promote Hong Kong.

Investment Promotion

8. The Investment Promotion Unit of the Sydney ETO continued to identify and assist potential Australian and New Zealand companies to establish and/or expand their business presence in Hong Kong. Specific efforts were made to identify companies associated with the six economic priority sectors as outlined by the CE in his policy address and specifically companies whose operations are considered in the 'creative industries' category. In addition to general investment promotion activities, InvestHK was the lead organising agency for the Hong Kong – Guangdong Business Conference held in Sydney in October 2009 which attracted over 1800 attendees. Since July 2009, 24 new projects have been generated and 8 projects completed.

Looking Ahead

9. The Sydney ETO will continue to reach out to political leaders, government officials, the business community and academics to promote Hong Kong as a base for Australian and New Zealand businesses to tap into the markets in China and the Asia Pacific region. The Sydney ETO is also looking for opportunities to update the business community in New Zealand on the trade and investment opportunities arising from the signing of the Hong Kong – New Zealand Closer Economic Partnership Agreement (CEP) in March 2010. The general election of Australia is widely expected to be held around September / October 2010. The Sydney ETO will keep a close monitor on the policy directions of the new government, particularly on areas which may impact on Hong Kong.

Hong Kong Economic and Trade Office, Sydney
June 2010

Report on the Work of the Singapore ETO

The Singapore ETO is responsible for promoting the economic and trade relations between Hong Kong and the 10 member countries of the Association of South East Asian Nations (ASEAN)¹. It also serves as a point of liaison with the Secretariats of the Asia-Pacific Economic Cooperation (APEC) and the Pacific Economic Cooperation Council (PECC) located in Singapore.

2. The ASEAN region, taken as a bloc, was Hong Kong's third largest trading partner in 2009². In their own right, six of the ASEAN economies³ were among our top 20 trading partners in the same year. The region was also the third major destination of outward direct investment (ODI) from Hong Kong, with the total ODI stock amounting to HK\$148.5 billion (US\$19.2 billion) as at end 2008.

3. The Singapore ETO continued to organise business, cultural and public relations events across Southeast Asia, promoting Hong Kong as Asia's premier business hub, financial centre and tourist destination. As in past years, there had been frequent exchanges between Hong Kong and the ASEAN region involving different sectors of the communities. From June 2009 to May 2010, Hong Kong government bureaux/departments, advisory bodies, trade/industry organisations and academic institutions made over 30 visits to the region. These include delegations led by 11 Principal Officials (POs)⁴. Since Singapore was the host of APEC 2009, CE, FS and SCED were among those POs who visited the country last year. They took the opportunities to meet leaders in the region and attend promotional events. Over the same period, Hong Kong received eight sponsored visitors, three sponsored journalists and at least three government delegations and one student group from the region.

Commercial Relations

4. There were several noteworthy developments in the bilateral relations between Hong Kong and the ASEAN region in the last 12 months. To foster the development of Islamic finance in Hong Kong, efforts were made to strengthen cooperation with Malaysia, a major player in the field. The cooperative relationships were formalized through the signing of memorandum of understanding / declaration by the Hong Kong Monetary Authority and the Securities and Futures Commission of Hong Kong with their respective Malaysian counterparts in September and November 2009. When the Financial Secretary, Mr. John Tsang, made his first official visit to Malaysia, Brunei Darussalam and Indonesia in March 2010, cooperation in the development of Islamic finance was also a major subject of discussion.

5. Adding to the comprehensive agreements on the avoidance of double taxation (CDTAs)

¹ The 10 ASEAN member countries are Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

² This ranking is based on counting the European Union (EU) and the ASEAN each as a bloc.

³ The six countries are Singapore (5th), Malaysia (10th), Thailand (11th), Philippines (17th), Vietnam (18th) and Indonesia (19th).

⁴ They are CE, FS, SJ, SDEV, SED, SCED, SHA, SFST, STH, SFH and SEN.

signed with Thailand and Vietnam in September 2005 and December 2008 respectively, the Financial Secretary signed on behalf of the Hong Kong Special Administrative Region Government two more CDTAs with Brunei Darussalam and Indonesia during his visit to the two countries in March 2010. When the Financial Secretary called on the Prime Minister of Malaysia during the same trip, the two also agreed to embark on the negotiation for a CDTA between Hong Kong and Malaysia.

6. Following up the signing of the CDTA between Hong Kong and Vietnam, the Singapore ETO co-organised with the Vietnam Chamber of Commerce and Industry two business seminars in Hanoi and Ho Chi Minh City in August 2009 to introduce the potential benefits of the Agreement to the Vietnamese business community. The Office also co-organised another business seminar in Bangkok with the Thai-Hong Kong Trade Association (THTA) in October 2009 to promote to Thai investors new business opportunities offered by the Mainland-Hong Kong Closer Economic Partnership Arrangement (CEPA) and the pilot scheme on renminbi trade settlement launched by the Mainland Government in July 2009. Speakers at these seminars included representatives from the Inland Revenue Department, InvestHK and the Hong Kong Trade Development Council (HKTDC).

Public Relations

7. To promote the inaugural Hong Kong Food and Wine Year, the Singapore ETO co-organised with the Hong Kong Tourism Board (HKTB) a series of events in Singapore, Kuala Lumpur and Manila in August - September 2009. The two also co-hosted receptions in Singapore, Kuala Lumpur, Bangkok, Manila and Jakarta in February – March 2010 to celebrate the Chinese New Year with their contacts in the region.

8. Recognising Malaysia and Singapore as major markets of Hong Kong movies in Southeast Asia, the Singapore ETO organized Hong Kong Film Festivals again in the two countries in March – April 2010. The two festivals featured award-winning Hong Kong productions that had not been shown in Malaysian and Singaporean cinemas before. Response to both was very positive.

Investment Promotion

9. The consultant engaged by InvestHK continued to spearhead inward investment promotion activities in the region to promote Hong Kong as a favourable investment destination. In 2009, the team reached out to 101 companies, and assisted 10 companies to set up in Hong Kong.

Looking Ahead

10. In the coming year, the Singapore Office will continue to work closely with HKTB and HKTDC to promote Hong Kong in the ASEAN region, highlighting Hong Kong's participation in the Shanghai World Expo, new trade and investment opportunities arising from CEPA and the initiatives being undertaken to develop the six priority industries.

Hong Kong Economic and Trade Office, Singapore
June 2010

Report on the Work of the Toronto ETO

The Toronto ETO promotes Hong Kong's economic and trade interests in Canada through close partnerships with major business bodies and think tanks, and raises the profile of Hong Kong through various public relations efforts.

Commercial Relations

2. During the reporting period, the Toronto ETO organized/supported a series of business events and speaking engagements to promote Hong Kong as a major financial and trading centre and the gateway to Mainland China and the rest of Asia. Visits and presentations were also made to universities across Canada to attract talents to Hong Kong.

3. In July 2009, the Secretary for Constitutional and Mainland Affairs spoke to over 130 political and business leaders in Vancouver on the latest developments in Hong Kong. In October 2009, the Secretary for Justice spoke at various forums to over 250 representatives of the legal profession, political, business and community leaders in Ottawa and Toronto on how the sound and robust legal system helped maintain Hong Kong's position as an international business and financial centre. He also met with the Minister of Justice and the Chief Justice of the Supreme Court. In March 2010, we arranged for the Secretary for Financial Services and the Treasury (SFST), together with the Chairman of HK Stock Exchange, to come to Toronto to promote capital-raising and listing in Hong Kong. SFST also gave keynote speeches at the University of Toronto and at a gala event by the Hong Kong community. The Toronto ETO also arranged for officers from the Education Bureau and Hong Kong Examination and Assessment Authority to promote Hong Kong's New Academic Structure to Canadian universities, educational bodies and Hong Kong communities in Toronto, Vancouver and Calgary through meetings and interviews.

4. In August 2009, the Toronto ETO organized a performance tour for the visiting Hong Kong Children's Symphony Orchestra. The Orchestra performed in a fund raising concert in Toronto for the Canadian soldiers who fought in defence of Hong Kong during the Second World War, in Ottawa at the War Museum and at the unveiling ceremony of the memorial wall commemorating these Hong Kong veterans.

5. To attract young talents to Hong Kong, the Toronto ETO conducted career talks at universities across Canada, covering the cities of Toronto, London, Hamilton, Montreal, Vancouver, Victoria, Edmonton and Calgary, reaching out to over 500 undergraduate and postgraduate Hong Kong, Mainland and Canadian students. We updated the students on Hong Kong's latest economic development and career opportunities.

6. To update our interlocutors on Hong Kong's latest developments, the Director of Toronto ETO visited Vancouver, Calgary, Edmonton, Montreal, Ottawa and Halifax, speaking at seminars and events and calling on officials, politicians, business leaders, media, academia and think tanks.

7. To promote the Basic Law, the Toronto ETO arranged speaking events and media interviews in Vancouver and Victoria in October 2009 for the Chairman of the Working Group on Overseas Community of the Basic Law Promotion Steering Committee. The

Toronto ETO also organized debates and slogan contests with themes relating to the Basic Law for university and secondary/primary students from Hong Kong and other parts of China.

Public Relations

8. Taking advantage of the dragon boat festivals and other community events held in Toronto, Ottawa, Calgary and Montreal, we promoted the East Asian Games held in Hong Kong in December 2009 and the Hong Kong Pavilion in the World Expo 2010. We have assisted a number of municipal delegations to visit Hong Kong en-route to the Expo.

9. To cultivate close working relations with the media in various Canadian cities, Toronto ETO and the Hong Kong Tourism Board (Canada) jointly hosted events for media representatives. We also organised a series of promotion in the first quarter of 2010 in various community events in Toronto and in shopping malls in Mississauga, Markham and Montreal, celebrating Hong Kong as an international financial centre, an event capital, and a food and wine hub. Toronto ETO also supported the film festivals in Toronto, Vancouver and Montreal to enable the showing of Hong Kong films. Hong Kong's achievements in the past century in film production were highlighted.

10. Toronto ETO continued to issue a quarterly e-newsletter and a bi-weekly e-bulletin on Hong Kong business news and stories to its contacts. In addition, we worked with the Business Journal - a business weekly in Ottawa, Les Affaires - a leading French paper in Montreal, and Canadian Business - the largest business magazine in Canada, producing special stories/supplements on Hong Kong's advantage and how companies successfully use Hong Kong as a platform for the markets in Asia.

Investment Promotion

11. The Investment Promotion Unit (IPU) of Invest Hong Kong reached out and provided services to over 100 Canadian companies in the targeted sectors of information technology, communications, business and financial services industries. During the period, nine Canadian firms established operations in Hong Kong with the support services of IPU.

Looking Ahead

12. The Toronto ETO will continue to promote the business opportunities in Hong Kong and in Mainland China through Hong Kong. We will also strengthen the linkages between Canada and Hong Kong in the cultural and educational aspects to increase the profile of Hong Kong in Canada.

Hong Kong Economic and Trade Office, Toronto
June 2010