

**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 12 overseas Economic and Trade Offices (ETO) since our last report in October 2015. The work reports of individual ETOs are set out in the following Appendices -

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Commerce and Economic Development Bureau  
October 2016

## **Report on the Work of the Washington ETO**

The Washington ETO closely monitors the political and economic development in the United States of America (US) and reports to Hong Kong on legislative proposals, government policies, executive and regulatory actions that may affect Hong Kong. It also represents Hong Kong's trade and economic interest in the US and actively promotes bilateral cooperation between the two economies.

### **Commercial Relations**

2. The bilateral economic and trade ties and exchanges continued to strengthen. In 2015, the US was Hong Kong's second largest trading partner and Hong Kong was the ninth largest market for US exports.

3. The Washington ETO strives to strengthen Hong Kong's audience-building work and engage a wide spectrum of interlocutors, including US federal government agencies, members of the Congress and their staffers, think-tanks, the media, the academia, the business community, former Hong Kong residents and other opinion formers. We assure our contacts of Hong Kong's commitment to free trade and economic freedom, as well as promote our position as the premier international financial centre, one of the most business-friendly cities and the gateway to Mainland China and the Asia-Pacific region. The ETO also monitors and reports on significant domestic US issues and its relations with key trading partners that may have implications on Hong Kong. These include:

- (a) negotiations on bilateral and regional free trade agreements, particularly the Trans-Pacific Partnership. The Washington ETO monitors the negotiation process, the progress of domestic ratification in the US, and the results of research on the agreement's likely economic impact on member and non-member economies;
- (b) trade issues relevant to Mainland China and Hong Kong, particularly the policy platforms and agenda of the presidential candidates and their political parties (such as initiatives and measures to strengthen enforcement of existing trade rules and

tools and to hold trading partners accountable for unfair trade practices);

- (c) US fiscal and monetary policies, particularly the movement of federal funds rate as the Hong Kong dollar is pegged to the US dollar and interest rate fluctuations will have an impact on our economy; and
- (d) reform initiatives on financial services regulation, development in derivatives market and financial technologies which may have impact on compliance and administrative burden on Hong Kong financial institutions.

4. High-level visits by senior HKSARG officials to Washington, DC provide a focal point on Hong Kong's strengths in various sectors. During the Financial Secretary's visit in October 2015, he met with senior officials in the Department of the Treasury, the Council of Economic Advisers of the White House, and the Department of Commerce. He updated them on the economic and financial developments in Hong Kong, exchanged views on the global economic outlook, and highlighted business opportunities arising from the reform in Mainland China and the Belt and Road Initiative.

5. The Chief Secretary for Administration visited Washington DC in June 2016 and met with senior officials in the Department of State, Department of Commerce, and Congressional leaders of both parties in the House of Representatives and the Senate. The Washington ETO hosted a number of public relations events in her honour to promote Hong Kong-US bilateral relations and these events were well attended by US Congressional staffers, Administration officials, former US cabinet level officials, as well as members of the business, academia, think-tank and Hong Kong communities. She also visited The Smithsonian Institution's Hirshhorn Museum and Arthur M. Sackler Gallery of Art, and discussed potential areas of cooperation between the Institution, the HKSAR Government, and the West Kowloon Cultural District.

## **Public Relations**

6. The Washington ETO reaches out to various sectors in the US on a regular basis to brief them on the latest developments in Hong Kong, including the implementation of "One Country, Two Systems", and to address issues of concern on our political, social and economic developments.

7. The Washington ETO hosts various public relations activities, such as receptions, briefings and cultural events, to raise the profile of Hong Kong, maintain and expand its diverse network of contacts, and promote Hong Kong's core attributes and the government policy agenda.

8. The annual "Made in Hong Kong" Film Festival, co-organised with the Smithsonian Institution's Freer Gallery of Art, showcases the best of Hong Kong cinema and screens a wide selection of films to US audience. This year's Festival featured Hong Kong stars Kara Wai and Carlos Chan and the world premiere of their latest film.

9. The Washington ETO hosted a large scale spring reception to celebrate Chinese New Year, and briefed various groups of university students and alumni and a delegation of visiting journalists, editors, and scholars from the Journalism Education Foundation.

10. In support of the efforts in broadening the exposure and experience of Hong Kong university students, the three US ETOs together launched a pilot internship programme in the summer of 2016. These students were placed on internships of up to two months in US ETOs, partnering business and non-profit organisations.

### **Looking Ahead**

11. The year 2016 is important in US politics as elections of the President, all seats in the House of Representatives and one-third of the seats in the Senate will be held in November. The Washington ETO will closely monitor the policy platforms of the presidential candidates and the post-election political landscape. With the inauguration of a new President and a new Congress in 2017, there will be changes in personalities in both the Administration and the Congress. The ETO will step up its liaison efforts to work with the offices of senior government and elected officials.

## **Report on the Work of the New York ETO**

The New York ETO is responsible for promoting the economic and trade interests of Hong Kong, and strengthening economic ties and networks between Hong Kong and 31 eastern states of the United States of America (US)<sup>1</sup>.

### **Commercial Relations**

2. In 2015, New York State maintained its position as the biggest trading partner of Hong Kong among all 50 states in the US, with exports from New York State to Hong Kong reaching US\$9.6 billion, a decrease of about 11.5% compared to 2014. Meanwhile, the 31 eastern states exported US\$20.2 billion worth of goods to Hong Kong, accounting for 54% of the total from the US. New York State ranked first, with Illinois, New Jersey, Massachusetts, Georgia and North Carolina ranked sixth to tenth among the 50 states by the value of goods they exported to our city.

3. The New York ETO arranged programmes for a number of senior officials from Hong Kong to visit the Eastern US during the reporting period. In June 2016, the Chief Secretary for Administration visited New York City (NYC) to update interlocutors on the latest political and social developments in Hong Kong, and to promote Hong Kong's expanding arts and culture sector, in particular the development of the West Kowloon Cultural District, with the Asia Society, the Lincoln Center for the Performing Arts and the Manhattan School of Music.

4. In October 2015, the Financial Secretary visited NYC to promote Hong Kong's strengths as an international financial and business centre. He met with the United Nations' Under-Secretary-General for Economic and Social Affairs and the President of the Federal Reserve Bank of New York, and visited a biotechnology company and incubator.

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<sup>1</sup> Namely the Commonwealths of Kentucky, Massachusetts, Pennsylvania and Virginia; and the States of Alabama, Arkansas, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Rhode Island, South Carolina, Tennessee, Vermont, West Virginia and Wisconsin.

5. The Secretary for Justice also visited NYC in October 2015 to promote Hong Kong as an international arbitration centre and to highlight the rule of law and judicial independence under “One Country, Two Systems”. He took up speaking events hosted by the New York International Arbitration Center, the Columbia Law School, the American Foreign Law Association and the National Committee on US-China Relations.

6. The New York ETO has continued its efforts to reach out to the business community, political and government leaders, major universities, arts and cultural institutions and the media in the Eastern US. During the reporting period, the Commissioner for Economic and Trade Affairs to the United States, the Director and/or the Deputy Director of the ETO conducted 27 visits to 21 different states<sup>2</sup>. They called on governors/lieutenant governors, cabinet secretaries, state legislators, mayors, academia, think-tanks and business leaders, delivered keynote speeches, and conducted media interviews with a view to promoting a better understanding of Hong Kong as a vibrant international financial, trading, educational and arts and cultural hub.

7. During the reporting period, the New York ETO facilitated visits to Hong Kong by senior representatives from various sectors, including the Deputy Mayor of NYC in December 2015, as well as visits to the Eastern US by notable personalities from Hong Kong<sup>3</sup>.

## **Public Relations**

8. The New York ETO has organised a variety of arts, cultural and sporting events to reach out to new stakeholders, and to promote Hong Kong’s soft power in arts and culture. The ETO sponsored for the first time the New York Sevens and the Hell Gate Sevens Rugby Tournaments in NYC, as well as the Collegiate Rugby Championship in Pennsylvania. The two-day tournament in Pennsylvania in June 2016 drew a record 27 000 athletes, fans, and spectators, with NBC and NBC Sports Network providing comprehensive national television coverage.

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<sup>2</sup> Including Connecticut, Florida, Georgia, Illinois, Iowa, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, and Wisconsin.

<sup>3</sup> Such as the Chairperson of the Women’s Commission Mrs Stella Lau, and a delegation of 20 from the Journalism Education Foundation, etc.

9. On the promotion of arts and culture, the New York ETO continued to collaborate with the Yale-China Association on the Arts Fellowship Programme to bring two talented young artists from Hong Kong on a six-month long art immersion programme and conducted workshops at Yale University. The Executive Director of the Hong Kong Arts Centre also visited NYC as part of the fellowship programme sponsored by the ETO in partnership with the Asian Cultural Council.

10. The New York ETO supported a number of film festivals to promote Hong Kong's film industry, presented a broad spectrum of films, and introduced a younger crop of local filmmakers to US audience. These events included the New York Asian Film Festival, the Asian American International Film Festival, the first Hong Kong Contemporary Film Festival, the Queens International Film Festival, the Old School Kung Fu Fest, and the Asian Pop-Up Cinema film event. Stars, directors, screenwriters and filmmakers who attended these festivals included Miriam Yeung, Adam Wong, Kara Wai, Carlos Chan, Mabel Cheung, Alex Lam, Alvin Tsang and Herman Yau.

11. Mixing sport and culture, the New York ETO sponsored and supported the Hong Kong Dragon Boat Festivals in NYC, Atlanta, Boston, Chicago and Philadelphia.

12. The New York ETO has continued to engage and reach out to the younger generation through 11 speaking engagements at universities and with its Facebook page "Hong Kong Meets America". The ETO also organised roving talks for visiting Immigration Officers to visit eight top universities in New York State, New Jersey, Pennsylvania, Connecticut and Massachusetts to promote the various talents admission schemes and facilitation measures.

### **Investment Promotion**

13. The New York ETO's Investment Promotion Unit (IPU) conducted an extensive investment promotion programme in the Eastern US, which continued to focus on traditionally strong business sectors as well as start-ups with overseas investment potential. During the reporting period, the IPU met with 264 companies and assisted 33 companies to establish business operations in Hong Kong. With a focus on financial technology and innovation sectors, the IPU participated in major start-up conferences such as Emerge in Miami, Collision in New Orleans as well as TechCrunch, Consensus and Finovate in NYC. The Unit also collaborated with other

Hong Kong agencies and local organisations for events such as a "Business of Design Week" delegation visit to Chicago, a start-up funding event, Seatrade Cruise Global and a Hong Kong Gala Dinner.

### **Looking Ahead**

14. The New York ETO will continue to strengthen our audience building work and maintain the drive to promote Hong Kong's strengths through out-of-state visits and various outreach activities.

Hong Kong Economic and Trade Office, New York  
October 2016



## **Report on the Work of the San Francisco ETO**

The San Francisco ETO is responsible for promoting the economic and trade relations between Hong Kong and 19 western states<sup>1</sup> in the US.

### **Commercial Relations**

2. In 2015, the western states exported US\$16.3 billion worth of goods to Hong Kong, accounting for 44% of the total from the US. California, Texas, Utah and the State of Washington ranked second to fifth among the 50 states by the value of goods they exported to our city.

3. Over the past year, the Commissioner for Economic and Trade Affairs to the United States and the Director of the San Francisco ETO jointly or individually visited 11 cities in seven western states<sup>2</sup>. They called on senior state and city government officials, leaders of state legislatures and business organisations, academia and think-tanks to update them on economic and political developments in Hong Kong. They also gave media interviews, and spoke at chambers of commerce and universities to explain the unique strengths of Hong Kong under “One Country, Two Systems” as well as our importance as a two-way gateway facilitating investments into and out of Mainland China. New opportunities arising from the Belt and Road Initiative were also prominently featured in their presentations.

4. The San Francisco Bay Area (where Silicon Valley is located) continued to attract a steady stream of visitors in 2015. The Hong Kong Science and Technology Parks Corporation (HKSTP) visited San Francisco three times to attend major conferences about healthcare, biotechnology and startups, while the Hong Kong Cyberport led two delegations to Silicon Valley focusing on financial technology (fintech). Both organisations used the opportunities to network with technology companies, accelerators and investors in the region. Apart from the Cyberport, the

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<sup>1</sup> Namely the States of Alaska, Arizona, California, Colorado, Hawaii, Idaho, Kansas, Oklahoma, Oregon, Montana, Nebraska, Nevada, New Mexico, North Dakota, South Dakota, Texas, Utah, Washington and Wyoming.

<sup>2</sup> Key cities visited include Irvine, Los Angeles, Sacramento and San Diego in California; Honolulu in Hawaii; Boise in Idaho; Las Vegas in Nevada; Dallas and San Antonio in Texas; Salt Lake City in Utah; and Seattle in Washington.

Under Secretary for Financial Services and Treasury conducted a fintech-oriented visit to the Bay Area in May 2016. He spoke at a reception hosted by the ETO and a fintech conference in San Jose, introducing to the audience exciting developments relating to fintech in Hong Kong.

5. Apart from innovation and technology, the Bay Area is also a prominent arts and culture centre on the West Coast. During her visit to San Francisco in June 2016, the Chief Secretary for Administration toured the San Francisco Museum of Modern Art and Asian Art Museum, and met with their executive heads to explore opportunities for collaboration. She also updated key interlocutors on Hong Kong's latest social, economic and cultural developments at a dinner with Chinese American leaders and a business luncheon co-organised by the San Francisco ETO. In addition, she called on the Mayor of San Francisco and the San Francisco Port Commission, visited a global technology company, attended gatherings with former Hong Kong residents in the region, and gave a briefing to the local Chinese media in the city.

6. The San Francisco ETO assisted in planning visits to Hong Kong for delegations led by the Mayor of Monterey Park, Mayor of Seattle, Executive Director of the Port of Corpus Christi and President of the San Francisco State University over the last 12 months. To encourage experience sharing in art administration and urban development, the ETO also supported the sponsored visit of Dr. Maxwell Anderson, Executive Director of New Cities Foundation (a US-based non-profit-making organisation founded to foster urban innovation and entrepreneurship) and formerly Director of the Dallas Museum of Art, to Hong Kong.

## **Public Relations**

7. Keeping up its effort in film promotion, the San Francisco ETO sponsored the presentation of Hong Kong films at eight major film festivals held in Denver, Honolulu, Portland, Vail, Dallas, San Francisco and Seattle over the past year. The ETO hosted receptions to honour visiting film director Mabel Cheung and producer Alex Law, whose film was chosen as the closing film of the 2015 Honolulu International Film Festivals as well as the centerpiece of the 2016 CAAMFest in San Francisco. Moreover, the ETO continued with its partnership with the San Francisco Film Society and organised "Hong Kong Cinema" in November 2015 and September 2016 to showcase a total of 17 Hong Kong productions in San Francisco.

8. Other than films, the San Francisco ETO also supported a variety of programmes in San Francisco to showcase the creative talents of Hong Kong-based artists. Among them were the "Retrieved" photo exhibition featuring photographer Kurt Tong from February to May 2016; the Tian Tian Xian Shang (TTXS) exhibition by artist Danny Yung from May to June 2016; the Working Rehearsal by dancer Cai Ying and interdisciplinary artist Phoebe Hui in June 2016; a talk by Oscar-winning costume designer Tim Yip in August 2016; and a piano recital by composer Elena Chiu in September 2016. The TTXS exhibition was also held in Los Angeles in August 2016.

9. Riding on the success of their first joint exhibition on the works of Hong Kong and Southern Californian disabled artists in 2014, the Tung Wah Group of Hospitals (TWGHs) and Chinese American Museum in Los Angeles co-organised a second exhibition that opened in October 2015. The year-long exhibition highlighted the significant role that Hong Kong and TWGHs played in the Chinese diaspora across the Pacific. On the same theme, Hong Kong historian Professor Elizabeth Sinn gave a lecture based on her book "Pacific Crossing: California Gold, Chinese Migration, and the Making of Hong Kong" in San Francisco in March 2016. The San Francisco ETO was a sponsor of both programmes.

10. The US has been a major source of applicants for the new Admission Scheme for the Second Generation of Chinese Hong Kong Permanent Residents (ASSG) since its introduction in May 2015. To further promote the ASSG and other enhanced talents admission schemes, three Immigration Department colleagues visited Seattle, Portland, the San Francisco Bay Area and Los Angeles in March 2016 to conduct talks for the business sectors, Hong Kong communities and students at renowned universities. They also gave interviews to local Chinese media in each city. At the same time, the San Francisco ETO continued to deliver career talks at major West Coast universities, and invite Hong Kong business and alumni associations in the region to help inform their members of the schemes.

### **Investment Promotion**

11. Over the last 12 months, the Investment Promotion Unit (IPU) of the San Francisco ETO visited 275 companies and assisted 19 companies to establish new business or expand their operations in Hong Kong. The IPU arranged the visits of six Invest Hong Kong directorates and sector teams to Anchorage, Los Angeles and San Francisco. It also actively promoted the

2016 StartmeupHK Venture Forum, and publicised notable developments in innovation and technology in Hong Kong. Moreover, it has stepped up its efforts in reaching out to the fintech community, and collaborated closely with the HKSTP and the Cyberport in their promotional activities in San Francisco and Silicon Valley (see details in para. 4 above).

### **Looking Ahead**

12. The San Francisco ETO will continue to promote Hong Kong as the vital link to Mainland China and Asia through business and cultural events as well as regular visits to key cities in the western states. Considering the strengths of this region, innovation and technology, arts and culture, and food and wine will remain the primary foci in the coming year. Particular attention will also be given to opportunities for talents and startups.

Hong Kong Economic and Trade Office, San Francisco  
October 2016

## **Report on the Work of the Brussels ETO**

The Brussels ETO represents Hong Kong's economic and trade interests in the European Union (EU), and is responsible for promoting Hong Kong's bilateral relations with 15 European countries, comprising 14 EU Member States (MSS), namely Belgium, Bulgaria, Croatia, Cyprus, France, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Romania and Spain, as well as Turkey.

### **Commercial Relations**

2. The Brussels ETO maintained regular dialogue with various supranational organisations of the EU, including the European Commission (EC) and the European Parliament, as well as national Governments and Permanent Representations stationed in Brussels of the 28 EU MSS, and monitored EU policies or directives which might have impact on Hong Kong. We also closely monitored discussions at summits of EU leaders regarding, for example, the EU's migration and refugee crisis. In particular, we are following closely the developments of the United Kingdom's (UK) vote in June 2016 to leave the EU. We will strengthen our trade promotion efforts to tap any business opportunities for Hong Kong arising from Brexit.

3. On trade issues, the Brussels ETO monitored EC's trade remedy measures against Mainland China's products, such as anti-dumping and anti-subsidy duties, given the close trade relations between Hong Kong and the Mainland. We also followed EU's negotiations on bilateral agreements with other trading partners, including the investment agreement with Mainland China and the Transatlantic Trade and Investment Partnership Agreement with the United States. We also maintained regular contact with EC to explore the possibility of an Investment Promotion and Protection Agreement between Hong Kong and the EU.

4. At the level of national governments, the Brussels ETO supported the liaison that led to the conclusion of the Hong Kong-Romania Comprehensive Agreement for Avoidance of Double Taxation signed in Bucharest in November 2015. The ETO also made efforts in facilitating the liaison with the Greek authority to explore the possibility of further strengthening the collaboration between Greece and Hong Kong in the maritime sector.

5. During the reporting period, the Brussels ETO lined up seven Hong Kong senior official/delegation visits. In June 2016, the Chief Executive, accompanied by the Secretary for Transport and Housing (STH) and the Secretary for Innovation and Technology, visited Toulouse and Paris in France to meet with senior government officials, leading manufacturing and training facilities on civil aviation, university and research institutes on advance technology, local businessmen, and Hong Kong communities. He, inter alia, met with the French Prime Minister, Minister of Foreign Affairs and International Development, and the President of Languedoc-Roussillon, Midi-Pyrenees Region. In November 2015, the Financial Secretary visited Turkey and Romania, and met with senior Turkish and Romanian officials. He also signed the Hong Kong-Romania Comprehensive Agreement for Avoidance of Double Taxation with the Romanian Government.

6. Other senior officials' visits from Hong Kong included the Secretary for Commerce and Economic Development (SCED)'s visit to Brussels and Antwerp in Belgium in October 2015; visit by STH and the Hong Kong Maritime and Port Board to Athens in Greece in June 2016 (STH visited Toulouse and Paris in France and Madrid in Spain during the same trip); visit by the Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism) to Bordeaux in France in June 2016; visit by the Permanent Secretary for Development (Planning and Lands) and the Hong Kong Town Planning Board to Amsterdam, The Hague and Rotterdam in the Netherlands in September 2016; and SCED's visit to Madrid in Spain in September 2016.

7. The Brussels ETO collaborated with Invest Hong Kong, the Hong Kong Trade Development Council (HKTDC) and other local business associations and partners to organise a total of 44 business luncheons, seminars, talks, receptions and dinners to promote Hong Kong's business opportunities and its role as a super-connector between Mainland China and Europe.

8. The Brussels ETO also supported visits of Hong Kong's non-governmental delegations, including a delegation of the Hong Kong publishing and printing sector to participate in the Bologna Children's Book Fair in Bologna, Italy in April 2016; the Hong Kong Tourism Board to Bordeaux to participate in the 2016 Bordeaux Wine Festival in June 2016; the Hong Kong Children's Choir to participate in Lisbon Music Festival in Lisbon in July 2016; the Hong Kong Sinfonietta to Marvao, Portugal in July 2016; and the Hong Kong Arts Centre to Brussels to participate in Hong Kong-Brussels Art Marathon in September 2016.

## **Public Relations**

9. With the launch of the enhanced talents admission schemes in May 2015, the Brussels ETO stepped up its efforts and organised a number of talks in different renowned universities in various cities, including Thessaloniki, Luxembourg City and Siena, during the reporting period to promote the schemes among university students and graduates. There are also plans to organise dedicated seminars in the fourth quarter of 2016, with the attendance of Immigration Department representatives, in Paris, Amsterdam and The Hague to reach out to the target groups such as young entrepreneurs, skilled professionals, Hong Kong emigrants and their descendants.

10. In terms of arts and culture, the Brussels ETO continued to promote Hong Kong talents, in particular soloists and small groups. Apart from inviting the Windpipe Chinese Music Ensembles, and three Hong Kong students pursuing postgraduate music studies in Europe to perform at the Chinese New Year receptions organised in various European cities in February and March 2016, we invited the Spring Glory Cantonese Opera Workshop to perform in Rotterdam, Amsterdam, The Hague, Antwerp, and Viterbo in Italy in October 2015; supported the participation of a comics artist in the Angoulême International Comics Festival, France, and the exhibition of a Hong Kong-based industrial designer in Mons, Belgium in January 2016; and sponsored the exhibition of art works by 10 Hong Kong artists specialised in traditional Chinese calligraphy and Chinese painting in Hilversum, the Netherlands between June and July 2016. We also sponsored the performance of the Hong Kong Children's Choir in Lisbon and the Hong Kong Sinfonietta in Marvao, Portugal in July 2016, and the Hong Kong-Brussels Art Marathon in Brussels in September 2016.

11. The Brussels ETO also facilitated Hong Kong music talents to work with international players. We sponsored Mr Calvin Leung, a young clarinet player, in joining a week-long Young Artist Programme alongside other outstanding musicians from all over the world and performing at the Rome Chamber Music Festival in Rome, Italy in June 2016.

12. In addition, the Brussels ETO is keen to promote Hong Kong as an ideal destination for outdoor activities. We sponsored the Oxfam Peacewalker in Westhoek, Belgium in May 2016 and the Oxfam Trailwalker in Eupen, Belgium in August 2016 to showcase Hong Kong's can-do spirit and promote the local green tourism. We also sponsored the

Hong Kong Dragon Boat Festival in Antwerp and the Dublin International Dragon Boat Regatta in Ireland in September 2016 to promote Hong Kong's cultural heritage.

13. In 2016, we continued to sponsor the screening of signature Hong Kong films in various international film festivals in Europe to further promote the Hong Kong cinemas to the European audiences. In total, we sponsored six international film festivals with two of them having standalone film events on Hong Kong films. We also sponsored Hong Kong directors/artists to participate in some of these events to enhance exchanges and foster closer cooperation.

14. The Brussels ETO partnered with the European Union Academic Programme Hong Kong to organise the Hong Kong-EU School e-Learning Project, which paired up seven Hong Kong secondary schools with a total of five secondary schools in Germany, the Netherlands and Spain, to exchange ideas and produce a blog on green living and sustainability.

15. Hong Kong community gatherings were held in Belgium and France to keep the Hong Kong emigrants abreast of Hong Kong's latest developments. We also handled enquiries from Hong Kong residents staying overseas and offered assistance as appropriate.

### **Investment Promotion**

16. The Investment Promotion Unit (IPU) of the Brussels ETO continued to enhance market awareness and visibility of Hong Kong by organising events in partnership with major local multipliers. The IPU spoke at business seminars co-organised by the ETO and the HKTDC, as well as business events organised by local associations to promote Hong Kong's strategic advantages. IPU also provided support to trade missions from Hong Kong.

17. During the reporting period, the IPU met with 143 companies and multipliers interested in setting up an operation in Hong Kong, and helped 55 companies initiate the process of setting up a company in Hong Kong. During the same period, 19 companies set up new offices in Hong Kong with IPU's assistance.



## Looking Ahead

18. With Euro depreciation and the launch of supportive policies at the EU level, the EU is seeking different means to revive its economy and will continue to push ahead a number of its priority projects such as the EU Investment Plan. This will continue to present opportunities for further Hong Kong-EU bilateral trade growth given Hong Kong's role as an international business and financial centre and the largest offshore Renminbi business centre. Given that the EU is one of the key trading partners of Hong Kong, we will keep a close watch on the developments and look for further opportunities to enhance and deepen closer cooperation and relations with the EU.

19. Riding on opportunities arising from the Mainland's Belt and Road Initiative, the Brussels ETO will step up its efforts in promoting Hong Kong as the super-connector connecting the Mainland with the rest of the world and hence an excellent platform for the European business to venture into the giant market covered under the Initiative. Business aside, we will keep promoting Hong Kong as the regional hub for creative industries, arts and culture by organising different activities. We will also continue our dedicated efforts to reach out to overseas talents such as young entrepreneurs, university graduates and descendants of Hong Kong emigrants to encourage them to work and stay in Hong Kong.

20. The European leaders have been discussing ways to strengthen the EU after the Brexit vote, and at the same time they also have to deal with other pressing issues such as the threat of terrorist attacks and the refugee crisis. The recent decision made by the UK High Court that the Brexit process has to go through the UK Parliament may create more uncertainties to the EU-UK Brexit negotiations. Apart from Brexit, elections will take place in various European countries in 2017 including the Netherlands (March), France (April to May) and Germany (before October). These elections may reshape the political landscape in the relevant countries and create changes to their trade and economic policies. We will closely monitor the developments and see whether any new legislations or policy directives may have any impact on Hong Kong.

## **Report on the Work of the London ETO**

The London ETO is responsible for promoting Hong Kong's bilateral relations with nine 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 respective governments, trade organisations, businesses, academia, cultural and media sectors, etc., and updates them on the latest developments in Hong Kong through regular exchanges, visits, seminars and receptions. During the reporting period, the ETO had, either on its own or in collaboration with the Hong Kong Trade Development Council, local trade associations or other organisations, organised and supported 44 business luncheons/seminars/receptions/roundtable meetings, including the annual Chinese New Year (CNY) receptions in Copenhagen in Denmark, Edinburgh and London in the UK, Helsinki in Finland, Moscow and St Petersburg in Russia, Oslo in Norway and Stockholm in Sweden to promote Hong Kong's advantages and opportunities as a springboard to Mainland China and other parts of Asia.

3. High-level official exchanges help strengthen bilateral ties and commercial relations. The London ETO organised and supported four visits by senior officials from Hong Kong during the reporting period, namely visits by the Chief Executive and the Secretary for Food and Health to London in October 2015; visit by the Secretary for Financial Services and the Treasury to Moscow, Helsinki and Riga in Latvia in April 2016; visit by the Secretary for Commerce and Economic Development (SCED) to London and to Vilnius in Lithuania in May 2016; and visit by the Chief Secretary for Administration to London in September 2016.

4. During the reporting period, the Director-General of the London ETO conducted regular visits to various cities across the nine countries under the ETO's purview. She called on senior state and local government officials, parliamentarians, academia and think-tanks to foster closer bilateral ties between Hong Kong and the countries concerned. She also met with business leaders, regional chambers of commerce and university faculties/students, delivered speeches at business seminars and events, and

conducted media interviews with a view to promoting Hong Kong's unique advantages under the "One Country, Two Systems" arrangement and the Belt and Road Initiative, as well as showcasing Hong Kong's position as an international financial, trading and cultural hub.

5. Through public avenues and its network of contacts, the London ETO keeps in view the economic and political developments in the countries under its purview with a view to fostering closer economic and trade relations between Hong Kong and the relevant countries. During the reporting period, the UK voted to leave the European Union (EU) in the referendum held on 23 June 2016. This has resulted in a change in the UK Prime Minister and Cabinet in July 2016. In October 2016, the UK Government announced that it would, by end of March 2017, trigger the formal negotiation mechanism for exiting the EU which will involve negotiations with the EU member states on the exit terms within a two-year period. Such a two-year deadline on negotiations could only be extended by a unanimous decision of the other 27 EU member states.

6. The referendum result has added uncertainty to the global economic and financial environment, and its full impact is still unfolding and will be subject to the negotiation outcome on the UK exiting arrangements with the EU. Meanwhile, the UK Government states that the UK would continue to "open for business" even after leaving the EU. The industrial strategy spearheaded by the new Department for Business, Energy & Industrial Strategy strives to attract more inward investment in various areas including energy, automobile and infrastructure. In addition, the UK Government reiterates the message that the UK would become more global after leaving the EU and the country could become the global leader for free trade.

7. The UK is one of the major trading partners of Hong Kong, being our 2<sup>nd</sup> in the EU in terms of trade in goods, our 3<sup>rd</sup> in the world in terms of trade in services, and our 5<sup>th</sup> in terms of outward direct investment. Hong Kong's trade and economic relations with the UK will continue to develop even after the UK leaving the EU. On the other hand, being an open and external-oriented economy, Hong Kong's economy may be easily affected by global economic headwinds. The London ETO has been monitoring the Brexit developments closely and will continue to maintain liaison with the concerned parties including the business community to watch out for any impact on the economic and trade relations between Hong Kong and the UK.

## Public Relations

8. To promote Hong Kong's strengths as an international business and financial centre, as well as to showcase Hong Kong's vibrant arts and cultural scenes and advantages as an ideal destination for university study, the London ETO organised and supported various public relations and cultural events during the reporting period.

9. In the UK, the London ETO supported the British Film Institute (BFI) in October 2015 in showing the European première of Hong Kong film director Johnnie To's film "Office" at the BFI London Film Festival, which is the UK's largest public film event. In January 2016, with the ETO's support, the Perry Chiu Experimental Theatre group staged the musical "Teresa" in London. Later in February 2016, a Hong Kong music group "Windpipe Chinese Music Ensemble" performed at the CNY reception of the ETO as well as the CNY celebration organised by the Chinese communities in Trafalgar Square in London.

10. To further promote the Hong Kong film industry, the London ETO supported a special-themed film season titled "Crime: Hong Kong Style" in Manchester in the UK in March 2016 organised by the Manchester HOME arts centre, with Hong Kong film director Felix Chong taking part in a question-and-answer session. With the aim of showcasing Hong Kong arts talent to the UK audience, the ETO supported an exhibition by Hong Kong artist Tsang Kin-wah in April 2016 as presented by the Centre for Chinese Contemporary Art, Manchester.

11. In May 2016, two Hong Kong students furthering their music studies in the UK were invited to perform at a reception commemorating the official opening of the new office of the London ETO. In July 2016, the ETO sponsored a concert by the Learners Chorus in London. The ETO also supported the Chung Ying Theatre Company in their showing of "A Tale of Two Cities: Blood for Blood" during the Edinburgh Festival Fringe in August 2016.

12. In the Nordic and Baltic regions, the London ETO invited two Hong Kong musicians (violinist Winty Wan and violist Gilbert Sak) to perform at the CNY receptions in Stockholm and Helsinki in January 2016, and another two young Hong Kong musicians (oboist Bobby Cheng and bassoonist Timothy Chan) to perform at the CNY receptions in Oslo and Copenhagen.

13. From February to May 2016, the London ETO organised the fifth student competition to encourage more UK students to study in Hong Kong. This year's theme was "Hong Kong: A Smart City in the World!". Five winners were sponsored to attend summer schools at universities in Hong Kong. The visit allowed the students to better understand Hong Kong's advantages as a regional education hub and to consider pursuing tertiary education in Hong Kong. They would share their experience with fellow British students upon their return to the UK.

14. During the reporting period, Hong Kong was also featured in several high-profile events in London. The London ETO took part in the Lord Mayor's Show in the City of London in November 2015, featuring a colourful float showcasing Hong Kong's unique maritime heritage, and the vital role the sea and ships played/would play in its past, present and future. In June 2016, the ETO once again supported the annual London Hong Kong Dragon Boat Festival, where more than 40 dragon boat teams participated.

15. In addition, the London ETO organised or supported business seminars or receptions in London, Edinburgh, Glasgow in the UK, Riga, St Petersburg, Vilnius and Tallinn in Estonia, encouraging local businessmen to use Hong Kong as the platform to enter Mainland China and Asia markets, and to make use of Hong Kong's advantages in exploring business opportunities under the Belt and Road Initiative. To promote the enhancements to the admission arrangements for talents, professionals and entrepreneurs thereby attracting more talents to work in Hong Kong, the ETO took part in a seminar in June 2016, introducing various talents admission schemes in Hong Kong to participants.

16. During the reporting period, 20 visitors including ten members and five researchers of the All Party Parliamentary China Group of the UK Parliament visited Hong Kong under the HKSARG's Sponsored Visitors Programme. They were given a wide range of briefings by government bureaux/departments and relevant organisations on the latest developments in Hong Kong. The London ETO also maintained regular liaison with the media, and arranged meetings with the media during SCED's visit to the UK in May 2016.

17. In addition, the London ETO continued to maintain close liaison with Hong Kong communities in the countries under its purview to keep them updated of Hong Kong's latest development, understand their concerns and offer assistance as appropriate. For instance, the Director-General and her deputies attended or rendered support for the events

organised by the Hong Kong communities in the UK (including Hong Kong students studying there) and attended business events to address the Hong Kong business community active in the UK.

### **Investment Promotion**

18. During the reporting period, the Investment Promotion Unit (IPU) of the London ETO met with 351 companies and assisted 46 companies in establishing their business operation in Hong Kong. The IPU, being the most active overseas unit of Invest Hong Kong, has greatly expanded its activities into financial technology. With increased staffing resources available in London and Hong Kong for the promotion of Hong Kong as a fintech hub in the region, the IPU will step up Hong Kong's fintech profile, build relationships, and refine Hong Kong's offering in the post-Brexit market place.

19. The IPU participated in an increased number of events during the period with its own seminars in Edinburgh and London, as well as participating in joint events in the UK including Glasgow, Guernsey, Liverpool, London, Stroud, Manchester, Inverness, and Middlesbrough. This widened the business sector reach of the IPU and increased the visibility of Hong Kong as an investment destination across a wide geographic region of the UK. Highlights included the first-ever Hong Kong participation in both London Technology Week (June 2016) and the 4<sup>th</sup> Annual China Business Conference of China British Business Council (March 2016). The success of these events reflects the continuing appetite amongst UK businesses to use Hong Kong to expand in the Asian markets.

20. The London IPU continues to develop the use of social media to increase awareness amongst companies in the technology industries which are actively using social media. An example is the growing relationship with Tech London Advocates (TLA) which is very active in China. We aim to initiate a Hong Kong TLA Working Group next year.

### **Looking Ahead**

21. The London ETO will continue to strengthen dialogues with its interlocutors, as well as organise various business, public relations and cultural events in the countries under its purview, with an aim to enhance bilateral ties and step up Hong Kong's profile overseas. On top of promoting Hong Kong as an international financial and business centre as

well as the ideal gateway to Mainland China and Asia, the ETO will continue to highlight Hong Kong's unique advantages under the "One Country, Two Systems" arrangement and encourage companies to make use of these advantages in exploring the opportunities under the Belt and Road Initiative. The ETO will also promote Hong Kong's soft strengths in its publicity efforts, namely the East-meets-West culture, vibrant arts scene, creativity and greenery.

22. The London ETO will also continue to monitor developments on domestic issues in the nine countries, including legislative proposals, government policies and regulatory measures, which may have implications on Hong Kong's economic and trade interests. In particular, we will continue to closely monitor the Brexit developments and maintain close dialogues with relevant trade and business sectors. For those British and European companies which intend to set up and/or expand their presence in Mainland China and the rest of Asia to diversify their business interest, Hong Kong serves as an ideal platform for them to tap the increasing potential Asia may offer. With this backdrop, we will step up efforts to highlight Hong Kong's strengths as a gateway for the Asian markets in our promotion and liaison work.

Hong Kong Economic and Trade Office, London  
October 2016

## **Report on the Work of the Berlin ETO**

The Berlin ETO is responsible for promoting Hong Kong's bilateral economic and trade relations with eight Central and Eastern European countries, namely Austria, Czechia, Germany, Hungary, Poland, Slovakia, Slovenia and Switzerland.

### **Commercial Relations**

2. The Berlin ETO maintains close contact with the business community, political and government leaders, academia, think-tanks, the media, arts and cultural institutions, and updates them on the latest developments in Hong Kong. In January and February 2016, the ETO, in collaboration with the Hong Kong Trade Development Council (HKTDC) and local chambers of commerce, hosted 11 annual Chinese New Year receptions in major cities in Central and Eastern Europe<sup>1</sup> to update our contacts on the latest developments in Hong Kong, especially the new opportunities under the Belt and Road Initiative. Some 1 600 guests from the diplomatic, political and business circles attended the receptions, where cultural performances by Hong Kong artists were also staged. The ETO also organised and supported business events in Berlin, Dresden, Munich, Schäftlarn and Schwäbisch Hall of Germany; Graz, Linz and Vienna of Austria; Warsaw of Poland; and Bratislava of Slovakia during the reporting period to promote Hong Kong as the gateway to Mainland China and Asia, a trading and logistics hub, a regional education centre, and a city of ample opportunities for small and medium sized enterprises and startups.

3. The Berlin ETO also arranged visits of HKSARG senior officials to the countries under its purview. In October 2015, the Secretary for Transport and Housing visited Vienna, where he gave a plenary presentation at the "Walk21 Vienna 2015-XVI International Conference on Walking and Liveable Communities" to share Hong Kong's experience in fostering mobility in a compact city, and met with senior government officials and representatives from Austria's federal government and Vienna city government.

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<sup>1</sup> Namely Vienna (Austria), Prague (Czechia), Berlin, Frankfurt, Hamburg, Munich (Germany), Budapest (Hungary), Warsaw (Poland), Bratislava (Slovakia), Ljubljana (Slovenia) and Zurich (Switzerland).



4. In November 2015, the Secretary for the Environment (SEN) visited Berlin and shared with German authorities our experience in energy saving and energy efficiency. SEN met with senior officials and representatives from Germany's federal government and Berlin city government. He also visited an energy-saving project, two waste management facilities and a high-technology park.

5. In May 2016, the Secretary for Innovation and Technology visited Vienna to foster collaboration on smart city development and start-up ecosystems between Hong Kong and Austria. He signed a memorandum of understanding with the Austrian federal government to strengthen bilateral cooperation in technology start-up ecosystems; spoke at the Pioneers Festival, a major annual event for future technologies and entrepreneurship in Austria; met with senior government officials and representatives from Austria's federal government and Vienna city government; and visited a research institute and an incubator.

6. In September 2016, the Chief Secretary for Administration visited Frankfurt and Dusseldorf of Germany and officiated at HKTDC's "Think Asia, Think Hong Kong" events in both cities.

7. During the reporting period, the Berlin ETO also facilitated the visits of the Government Economist to Germany and Switzerland, the President of the Legislative Council to Hungary, and the delegations of the Vocational Training Council and the Town Planning Board to Germany.

8. In response to an incident in Würzburg in Germany in July 2016, in which four Hong Kong residents were attacked and injured, the Berlin ETO worked closely with the Immigration Department and the Chinese Consulate General in Munich to assist the injured families, especially in the liaison with the German authorities in applying for financial assistance and arranging for accommodation, etc.

## **Public Relations**

9. The Berlin ETO staged and supported a number of cultural, social and sports events to promote Hong Kong in different ways. During the reporting period, we sponsored the screening of Hong Kong films at the Vienna International Film Festival (Viennale), the Five Flavours Film Festival in Warsaw, Filmstelle VSETH in Zurich in Switzerland, the Munich Film Festival and the Zurich Film Festival. We also supported several other cultural events where Hong Kong talents were showcased.

These included two exhibitions in Berlin, one by Hong Kong-Rocco Design Architects presenting Rocco Yim's works in Hong Kong and Mainland China, and the other called "from here to there" where students from the Academy of Visual Arts of the Hong Kong Baptist University showcased their visual arts exhibits; the "Hong Kong Pavilion" co-organised by the Hong Kong Publishing Federation and the Hong Kong Printers Association at the 2015 Frankfurt Book Fair; the Fumetto International Comic Festival in Lucerne of Switzerland, which featured two Hong Kong comic artists in two respective exhibitions, one on a retrospective exhibition and the other on a satellite exhibition; Hong Kong-Vienna Music Festival featuring a week's long performances by 40 musicians from Hong Kong; and Tanzmesse in Dusseldorf (a biennial international dance fair) where performances by Hong Kong dance groups were staged. To promote studying in Hong Kong and various talents admission schemes and working holiday schemes, we participated in two international education fairs, namely the *BeST* in Vienna and the *Study World Berlin 2016*. During summer 2016, we sponsored the Berlin Dragon Boat City Cup and the Zurich Dragon Boat Race.

10. To maintain contact with the Hong Kong community in Berlin, a Chinese New Year gathering was organised in February 2016.

11. On the media front, the Berlin ETO maintained regular liaison with the media and arranged from time to time interviews for the Director of the Berlin ETO and visiting HKSARG officials. The ETO also facilitated ten journalists to visit Hong Kong and see first-hand developments in the city. Some of the journalists visited Hong Kong to cover specific events, such as the Asian Logistics Maritime Conference and the Business of Design Week.

### **Investment Promotion**

12. The Investment Promotion Unit (IPU) of the Berlin ETO continued to enhance Hong Kong's profile by hosting business seminars in cooperation with local business chambers and other multipliers, and promoted Hong Kong's advantages at events organised by outside organisations. The IPU also arranged meetings with potential companies interested in establishing and/or expanding their business presence in Hong Kong. During the reporting period, it met with 156 companies and assisted 20 companies in establishing business operations in Hong Kong.

## **Looking Ahead**

13. The German Chamber of Commerce will hold its biennial Asia Pacific Business Conference in Hong Kong in early November 2016. It is a long-established large-scale business conference with over 800 senior participants from German businesses. The Berlin ETO is working closely with our counterparts in the Chamber, the Asia-Pacific Committee of German Business and the German Federal Ministry of Economic Affairs and Energy to prepare for the conference.

14. In the coming year, the Berlin ETO will strengthen its outreaching work in Central and Eastern Europe, in particular in Hungary and Poland, to promote and explore opportunities under the Belt and Road Initiative.

Hong Kong Economic and Trade Office, Berlin  
October 2016

## **Report on the Work of the Geneva ETO**

The principal 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 of the Advisory Centre on WTO Law (ACWL), and as a participant of the Trade Committee of the Organisation for Economic Cooperation and Development (OECD) in Paris.

### **Commercial Relations**

2. The Tenth Ministerial Conference (MC10) of the WTO was held in Nairobi, Kenya from 15 to 19 December 2015. Prior to MC10, HKC joined other WTO Members in intensive discussions to advance negotiations under the Doha Development Agenda, trying to break deadlocks and forge consensus on a wide range of issues. Our efforts had contributed to building a solid and pragmatic foundation for MC10, at which WTO Members finally adopted nine Decisions on regular work and Doha negotiations, the latter covering agriculture, cotton and issues related to least-developed countries (LDCs). The Ministerial Declaration, which had incorporated suggestions by HKC, also set out Members' views on the future work of the WTO. It recognised that there remained a strong commitment of all Members to advance negotiations on the remaining Doha issues, even though they held very different positions on the way forward of the Doha Development Agenda. Ministers agreed that officials should work to find ways to advance the negotiations, and requested the Director-General of the WTO (DG/WTO) to report regularly to the General Council (GC) on these efforts. As regards other issues for negotiations, the Declaration made it clear that any decision to launch negotiations multilaterally would need to be agreed by all WTO Members.

3. In the first half of 2016, discussions were held among WTO Members to follow up on the decisions of, and directions given by, Ministers at MC10. Substantive progress had yet to be seen. In his latest report to the GC on 27 July 2016, DG/WTO as Chair of the Trade Negotiations Committee stressed the need for Members to be pragmatic, realistic and creative; to dive into a real proposal-driven process immediately after the summer; and to maintain and enhance their focus on development and LDC issues in all conversations.

4. Regarding implementation of previous decisions, Ministers at the Ninth Ministerial Conference decided that the Agreement on Trade Facilitation (TFA), which was estimated to increase global merchandise exports by between USD 750 billion and USD 1 trillion per annum, would enter into force after two-thirds of the WTO's membership had completed their domestic ratification process. Such process is gathering momentum. As at end September 2016, 94 Members (out of the total of 164) had submitted their legal instruments to formally accept the TFA, bringing the number of ratifications to more than 85% of that needed to bring the TFA into force. HKC was the first WTO Member to ratify the TFA.

5. Apart from engaging in multilateral negotiations, HKC continued to participate in plurilateral negotiations which could contribute to the global liberalisation of trade and strengthening of the multilateral trading system. These included the negotiations on a second Information Technology Agreement (ITA) which was successfully concluded by 24 participants<sup>1</sup> in Nairobi at the time of MC10. The ITA will eliminate tariffs of 201 additional products, the annual trade of which is valued at over US\$1.3 trillion per year and accounts for approximately 7% of total global trade today. WTO Members which are not parties to this accord also benefit by virtue of the most-favoured nation (MFN) principle. The first set of tariff cuts were implemented on 1 July 2016. The second set will be implemented no later than 1 July 2017, with successive reductions taking place from 1 July 2018 onwards and full elimination no later than 1 July 2019. HKC is commended for having implemented all tariff cuts on 1 July 2016.

6. Separately, 23 WTO Members, including HKC, which seek more ambitious liberalisation in services trade, are taking a plurilateral approach to negotiate a Trade in Services Agreement (TiSA). Based on WTO's existing General Agreement on Trade in Services, TiSA aims to improve market access and develop new and enhanced disciplines for a wide range of services sectors. Services are increasingly important in the global economy and account for over 90% of the Gross Domestic Product of HKC. Being a TiSA participant, we can secure better market access for Hong Kong's service traders to major economies such as the United States, the European Union, Canada, Australia, Japan and Korea. This will bring HKC more business and employment opportunities, and drive further economic development. HKC is a very active player in TiSA negotiations. In particular, we play a leading role in developing disciplines to ensure that

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<sup>1</sup> In all the plurilateral negotiations mentioned in this report, namely those on the ITA, TiSA and Environmental Goods Agreement (EGA), the European Union's 28 Member States are counted as one participant. For the negotiations on ITA and EGA, the customs union of Switzerland and Liechtenstein is counted as one participant.

domestic regulations of TiSA participants do not become barriers to trade. As at end September 2016, 19 rounds of formal negotiations had been conducted with sustained momentum. Participants shared the goal to complete the negotiation within 2016.

7. HKC is also one of the 17 WTO Members participating in the plurilateral negotiations on the Environmental Goods Agreement (EGA) to cut the tariffs of hundreds of environmental products. We have considerable trade interest in the environmental goods under discussion. In 2014, Hong Kong's domestic exports and re-exports of these products to the world amounted to \$6 billion and \$864 billion respectively, representing 11% of total domestic exports and 24% of total re-exports. A number of the participants of the negotiation are Hong Kong's key markets. Our manufacturers and traders will benefit from enhanced market access opportunities arising from the tariff concessions achieved by the EGA. The reduction of tariffs will also lower the cost of those products, thus encouraging their wider use and contributing to environmental protection generally. As at end September 2016, 16 rounds of negotiations had been held. Participants aim to conclude the negotiations before the end of this year. As in the case of ITA, when the EGA takes effect, the benefits of the agreement will be extended to all other WTO Members by applying the MFN principle.

8. In addition to trade negotiations, the Geneva ETO contributes to the work of various regular WTO committees and bodies. It continued to take an active part in the peer reviews of other WTO Members at the Trade Policy Review Body (TPRB). Indeed, from March 2016 onwards, the Permanent Representative of HKC has taken up the chairmanship of the TPRB in her personal capacity.

9. The Geneva ETO represented HKC at all relevant meetings of the Trade Committee of the OECD in Paris throughout the year, including the Trade and Investment Session of the annual OECD Ministerial Council Meeting in June 2016.

### **Looking ahead**

10. In the coming year, the Geneva ETO will continue to advance and defend the commercial interests of HKC; uphold the systemic value of the multilateral trading system; and support the work of the WTO. We will continue to participate actively in the current round of multilateral trade negotiations, mainly to seek greater market access for our services sectors and industrial goods. We shall intensify work on the negotiation fronts and

help broker deliverables with a view to achieving fruitful outcomes at the Eleventh Ministerial Conference which is expected to be held towards the end of 2017 in Argentina. In parallel, we will continue to contribute to the work of the OECD and the ACWL.

Hong Kong Economic and Trade Office, Geneva  
October 2016

## **Report on the Work of the Tokyo ETO**

The Tokyo ETO promotes closer economic and trade ties, understanding and cooperation, as well as cultural and tourism exchange with Japan and the Republic of Korea (Korea). Through exchanges at various levels and promotional events, we have been extending our network and strengthening our ties with the two economies.

### **Commercial Relations**

2. In 2015, Japan and Korea were our third and sixth largest trading partners respectively. Reciprocally, Hong Kong was their seventh and fifth respectively. Through meetings, courtesy calls and other occasions, the Tokyo ETO has continued to reach out to government officials, legislators, business leaders, academia, the media and other opinion formers in both places to promote Hong Kong and brief them on Hong Kong's latest developments.

3. On high-level exchanges, the Tokyo ETO facilitated the visit of the Secretary for the Environment (SEN) to Japan in September 2016 to exchange views with the Japanese government officials on environmental protection and countryside management; a delegation led by the Secretary for Transport and Housing to visit Korea in November 2015 to promote Hong Kong as a regional logistics hub and its role as a "super-connector"; and the Secretary for Commerce and Economic Development's visit to Korea in March 2016 to promote further cooperation between the creative industries of Hong Kong and Korea.

4. In addition, the Tokyo ETO assisted some other government departments in conducting visits to and exchanges with Japan and Korea, including the participation of the Agriculture, Fisheries, and Conservation Department in the APEC High Level Public-Private Forum on Cold Chains to Strengthen Agriculture and Food's Global Value Chain in Kagoshima, Japan in October 2015; Create Hong Kong's visit to Seoul, Korea in March 2016 to expand its network with the Korean creative industries; visit by the Environment Bureau/Environmental Protection Department to Seoul in April 2016 to learn about waste management policies; and the visit by the Education Bureau to Seoul in May 2016 to learn about education policies.



5. Through visits, meetings and organising/speaking at business seminars, the Tokyo ETO expanded its network and renewed ties with various regions in Japan and Korea. For Japan, the ETO reached out to Aichi, Fukuoka, Hokkaido, Hyogo, Ishikawa, Kagawa, Kumamoto, Niigata, Osaka, Saitama, Tottori and Toyama Prefectures during the reporting period. For Korea, efforts were focused on Seoul and Busan. In November 2015, the ETO co-organised a business seminar in Kanazawa in Japan in collaboration with the Hong Kong Trade Development Council (HKTDC), Hong Kong Tourism Board (HKTB) and Invest Hong Kong (InvestHK), and another one in Seoul with HKTDC and InvestHK to promote the many advantages and opportunities of doing business in Hong Kong, and using Hong Kong as a platform to extend business into Mainland China, Asia and other parts of the world.

6. In the first seven months of 2016, Japan received around 1.1 million visitors from Hong Kong, increasing by 24% over the same period in 2015. With rising market demand, some new scheduled direct flight services from Hong Kong have been launched since 2015, including Miyazaki, Kumamoto, Okayama, Ishigaki, Takamatsu and Tottori, bringing the total number of Japanese destinations with such services to 14. The improved connectivity between Hong Kong and Japan has helped promote bilateral exchanges between the two places.

7. Over the past year, there have not been any legislative proposals, government policies and regulatory measures in Japan and Korea that are directly related to Hong Kong. That said, the Japanese Government has launched a number of fiscal stimulus packages to boost the local economy, amounting to a total of JPY 28 trillion (about HKD 2.1 trillion) over several years. On the other hand, the Korean Government announced in October 2016 its intention to join the Trans-Pacific Partnership (TPP) trade agreement<sup>1</sup>. These issues may have long-term implications on the economies of Japan and Korea as well as the regional trade in Asia. We will continue to keep in view any latest developments in these two countries that may affect Hong Kong.

8. To further enhance and deepen the trade and cultural exchanges with Korea, the Tokyo ETO is actively taking forward the plan of setting up an ETO in Seoul. Several rounds of discussion have been held with the

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<sup>1</sup> The TPP trade agreement was signed in February 2016 by 12 countries, namely, Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, United States, and Vietnam. The agreement is now pending ratification by the signatories.

Korean Government on issues underpinning the establishment of the new ETO.

## **Public Relations**

9. During the reporting period, we organised or sponsored a number of public relations initiatives to raise Hong Kong's profile. Major ones included the Hong Kong Cup All Japan University Student Ambassadors English Programme 2015-16, a "Hong Kong Night Reception" at the 20<sup>th</sup> Busan International Film Festival, a special programme entitled "Special Focus on Hong Kong" and a "Hong Kong Night Reception" at the Osaka Asian Film Festival 2016, a promotional booth of Hong Kong as an art hub at the 2015 Seoul International Hand-made Fair, large-scale receptions in Tokyo and Seoul, the Hong Kong Cup held under the Yokohama Dragon Boat Races 2016, and performances of the Asian Youth Orchestra in Tokyo and Nagoya.

10. As an on-going effort, the Tokyo ETO continued to liaise with Hong Kong people living, working or studying in Japan and Korea. Three gatherings were held in Tokyo (January and July 2016) and Seoul (November 2015) to update the participants on the latest developments of Hong Kong.

11. Tokyo ETO published a quarterly newsletter and a monthly email-newsletter to update our counterparts in Japan on various aspects of Hong Kong. From time to time, we also distributed booklets and leaflets about Hong Kong to our contacts in Japan and Korea, and published full-page newspaper supplements in major newspapers to raise Hong Kong's profile.

## **Investment Promotion**

12. During the reporting period, the Tokyo Investment Promotion Unit (Tokyo IPU) conducted investment promotion visits to various places in Japan, including Nagoya, Kanazawa and Fukui, to meet potential investors and brief local offices of the Japan External Trade Organisation, chambers of commerce, and prefectural/city governments on the latest investment environment in Hong Kong.

13. Tokyo IPU assisted InvestHK's head office sector teams in conducting investment promotional trips to Japan and lined up meetings with potential investors and banks. The business sectors covered by these

trips included the creative industries, consumer products, transport and industrial, tourism and hospitality, and innovation and technology.

14. In total, Tokyo IPU successfully supported 11 companies in either setting up a new company or expanding their existing business operations in Hong Kong.

### **Looking Ahead**

15. The Tokyo ETO will continue to promote Hong Kong and foster closer bilateral relations with both Japan and Korea through government-to-government contacts, business promotion, cultural and public relations events. We will continue to coordinate the efforts of InvestHK, HKTDC and HKTB in major events and partner with local organisations to maximise reach and impact.

Hong Kong Economic and Trade Office, Tokyo  
October 2016

## **Report on the Work of the Sydney ETO**

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

### **Commercial Relations**

2. We maintained close liaison with contacts in governments at federal, state and city levels, business organisations, academia, cultural and media sectors. In collaboration with local business associations, think-tanks and other Hong Kong agencies such as the Hong Kong Trade Development Council (HKTDC) and Invest Hong Kong (InvestHK), we organised and supported various business events and seminars in major cities of Australia and New Zealand to promote Hong Kong as the gateway to Mainland China and Asia. We also issued monthly newsletters to keep our contacts posted of the latest developments in Hong Kong and Sydney ETO's activities.

3. We organised two visits by senior government officials from Hong Kong to strengthen the bilateral economic ties between Hong Kong and Australia/New Zealand. In August 2016, the Secretary for Justice visited Sydney, Melbourne, the Gold Coast and Brisbane of Australia to promote Hong Kong as an international legal and dispute resolution services centre in the Asia-Pacific region. In September 2016, the Secretary for Constitutional and Mainland Affairs visited Wellington and Auckland of New Zealand, and Sydney of Australia to exchange views with New Zealand government officials and representatives on parliamentary operation and election-related matters, and to promote Hong Kong's advantages and opportunities arising from the National 13<sup>th</sup> Five-Year Plan and the Belt and Road Initiative to the business people in New Zealand and Australia.

4. We provided assistance in visits to Hong Kong by Australian and New Zealand senior government officials, such as Australian Minister for Trade and Investment (now Minister for Trade, Tourism and Investment), Steven Ciobo, the then Minister for Cities and the Built Environment, Jamie Briggs, and the then New Zealand Minister for Trade and Climate Issues, Tim Groser in order to strengthen the bilateral ties between Hong Kong and Australia/New Zealand.

5. During the reporting period, we conducted regular visits to Melbourne, Brisbane, Perth, Adelaide and Canberra of Australia, and Auckland and Wellington of New Zealand. We called on senior federal, state and local government officials, parliamentarians, academia, think-tanks and business leaders to update them on Hong Kong's latest developments and business opportunities. We also conducted speaking engagements and media interviews to, among others, promote Hong Kong's position as an international financial and business centre.

### **Public Relations**

6. In collaboration with HKTDC, InvestHK and local business organisations, we hosted Chinese New Year receptions in major cities of Australia and New Zealand in order to raise the profile of Hong Kong and promote Hong Kong's business opportunities and advantages. A booth was set up in the Sydney and Melbourne receptions to promote the online portal on Belt and Road Initiative. We also organised an exhibition to showcase the vibrancy and unique characteristics of Hong Kong as Asia's world city and promote the Basic Law.

7. On the cultural front, we organised and supported various events to promote Hong Kong's arts and culture. In collaboration with Hong Kong Arts Development Council and the Adelaide Festival Centre, we featured a major arts and cultural focus on Hong Kong in the OzAsia Festival 2016, including Australian premiere of the City Contemporary Dance Company's production "As if to Nothing", and an exhibition of a Hong Kong visual artist. To promote the unique theatrical culture of Hong Kong, we staged an exhibition on Cantonese opera costumes and sponsored a local Cantonese opera performance involving percussionists and actors from Hong Kong.

8. We continued to feature Hong Kong in high-profile local events. For Australia, we formed a "Hong Kong Team" to take part in the City of Sydney Chinese New Year Dragon Boat Races at Darling Harbour. During the two-day event, we set up a stall to showcase Hong Kong as a tourist destination, a gourmet paradise and an event hub. For New Zealand, we set up a Hong Kong tram marquee during the Auckland Lantern Festival with photos displaying icons of Hong Kong, as well as lanterns showcasing Hong Kong's festivals. Besides, we participated in the Vivid Sydney at Chatswood, which was part of a light, music and ideas festival in Sydney.

Promotional videos to showcase Hong Kong as a global financial centre and the city's innovation and technology were screened during the festival.

9. We continued to promote Hong Kong among young people in Australia and New Zealand through activities such as career talks and young professional events. We organised a series of seminars in Sydney, Melbourne and Auckland to promote working opportunities in Hong Kong. Besides, officers of the Immigration Department joined these seminars to introduce the pilot Admission Scheme for the Second Generation of Chinese Hong Kong Permanent Residents and other enhancement measures to the admission arrangements for talents, professionals and entrepreneurs. We also continued to reach out to local Hong Kong people through Hong Kong community gatherings, speaking engagements at events organised by Hong Kong-related organisations such as alumni associations of Hong Kong universities, and media interviews.

10. During the reporting period, we arranged Annastacia Palaszczuk, Premier and Minister for the Arts, Queensland (Australia), Anthony Albanese, Shadow Minister for Infrastructure and Transport and Shadow Minister for Tourism (Australia), Dr Jian Yang, Convenor of the Hong Kong Friendship Group of New Zealand Parliament, David Parker, Shadow Attorney General and Spokesperson for Trade and Export Growth, New Zealand Parliament, and Professor Stephen Martin, Chief Executive of the Committee for Economic Development of Australia, etc., to visit Hong Kong under the HKSARG's Sponsored Visitors Programme. During the visits, they were given a wide range of briefings by government bureaux/departments and relevant organisations on the latest developments in Hong Kong.

11. We maintained regular liaison with the media, and arranged media interviews for visiting senior officials from Hong Kong. We also arranged journalists to visit Hong Kong to cover major events under the Sponsored Journalists Programme. During the reporting period, we arranged Greg Earl, the Asia-Pacific Editor of the Australian Financial Review, to cover the Asian Financial Forum 2016; Ed Gibbs, Fairfax media film writer, to cover the Hong Kong Entertainment Expo; and Damon Kitney, Victorian Business Editor of The Australian, to cover the International IT Fest 2016.

### **Investment Promotion**

12. The Investment Promotion Unit (IPU) 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. During the reporting period, the IPU met with over 200 companies and assisted 24 companies in establishing their business operations in Hong Kong.

### **Looking Ahead**

13. In 2017, the Sydney ETO will continue to organise a series of events in Australia and New Zealand in order to strengthen Hong Kong's economic and cultural ties with Australia and New Zealand, showcase Hong Kong's business advantages and soft strengths, and facilitate exchanges of talents. We will also continue to work closely with business associations, think-tanks and other local organisations to maximise the impact of our promotional activities.

Hong Kong Economic and Trade Office, Sydney  
October 2016

## **Report on the Work of the Jakarta ETO**

To further enhance Hong Kong's collaboration and integration with the Association of Southeast Asian Nations (ASEAN)<sup>1</sup>, a new Economic and Trade Office (ETO) is being set up in Jakarta. The temporary office of the Jakarta ETO commenced operation on 13 June 2016 and the Director-General, Hong Kong Economic and Trade Affairs, Jakarta assumed office on 13 September 2016.

2. The main responsibilities of the Jakarta ETO are to represent the Government of the Hong Kong Special Administrative Region in matters between Hong Kong and the ASEAN as a whole, and handle in particular matters between Hong Kong and four ASEAN countries, namely Indonesia, Malaysia, Brunei Darussalam and the Philippines. The ASEAN Secretariat is located in Jakarta and the Permanent Representatives of the ten ASEAN countries are also based here. Since 13 September 2016, the Singapore ETO<sup>2</sup> is responsible for strengthening economic ties and network between Hong Kong and Singapore, Cambodia, Laos, Myanmar, Thailand and Vietnam.

3. At present, the Government is negotiating a Free Trade Agreement between Hong Kong and ASEAN. Strengthening Hong Kong's presence in the region will help promote economic and cultural exchanges and facilitate investment and trade flow in the region.

4. In the past four months, the Jakarta ETO has been focusing on setting up the long-term office and building up connections.

### **Setting up of the Long-term Office**

5. The Jakarta ETO is currently situated at a short-term leased office and preparation work for setting up the long-term office is underway. It is expected that the Jakarta ETO would move into the long-term office and officially open for full operation in the first half of 2017.

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<sup>1</sup> The ten ASEAN member countries are Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

<sup>2</sup> The work of the Singapore ETO is reported in Appendix 11.



6. The Jakarta ETO has an establishment of five Hong Kong-based staff and nine locally-engaged staff. We are in the process of recruiting staff to the office. As at 1 October 2016, there are three Hong Kong based-staff and three local staff in the office. The remaining staff will come on board as soon as practicable to support the office operation.

### **Building up Network and Public Relations**

7. In addition to the preparation of the long-term office, the Jakarta ETO has been actively building up network in the region. We have been reaching out to key government officials, chambers of commerce, business associations and communities, Hong Kong communities, media, academia, non-governmental organisations and think-tanks in the region to introduce the Jakarta ETO to different entities and promote Hong Kong.

8. In the past four months, the Jakarta ETO also supported visits of senior government officials as well as other organisations from Hong Kong to the four ASEAN countries under the Jakarta ETO's coverage. For example, we supported the Secretary for Home Affairs' visit to Bandar Seri Begawan, Brunei to attend the Seventh Meeting of the ASEAN Plus Three (China, Japan, Korea) Ministers Responsible for Culture and Arts as well as the Third China-ASEAN Ministers Responsible for Culture and Arts Meeting in August 2016.

### **Looking Ahead**

9. The imminent priority of the Jakarta ETO is to move into the long-term office and recruit the remaining staff in the first half of 2017 so that we could operate in full swing. The ETO will continue to reach out to different entities and establish our network in the ASEAN region. Together with Singapore ETO, we will strive to further enhance Hong Kong's presence in and integration with ASEAN and promote Hong Kong's role as the super-connector between Mainland China and the rest of the world. The Jakarta ETO will also be involved in other matters of interest of Hong Kong, including the issue of foreign domestic helper.

## **Report on the Work of the Singapore ETO**

Prior to the establishment of the new ETO in Jakarta, the Singapore ETO was responsible for promoting bilateral economic, trade and cultural relations between Hong Kong and the ten member countries of the Association of Southeast Asian Nations (ASEAN)<sup>1</sup>.

2. ASEAN, taken as a bloc, has been Hong Kong's second largest trading partner from 2010 to 2015. Five of the ASEAN member countries, i.e. Singapore, Thailand, Malaysia, Vietnam and the Philippines, were among Hong Kong's top 20 trading partners in 2015. In addition, more investment from Hong Kong was going into ASEAN economies in view of the low cost base and huge growth potential. During the past year, the Singapore ETO continued its efforts in promoting the "One Country, Two Systems" principle, Hong Kong as an international financial centre and business hub, a centre for international legal and dispute resolution services in the Asia-Pacific region, a regional logistics and maritime hub and a travel destination worldwide.

3. To further enhance Hong Kong's collaboration and integration with ASEAN and Hong Kong's "super-connector" role to bridge trade and investment between Mainland China and ASEAN, the Chief Executive (CE) announced the establishment of a new ETO in Jakarta, the second one in ASEAN region, during his official visit to Indonesia in September 2015. The Singapore ETO, in collaboration with relevant bureaux and departments, actively participated in the setting up of the new ETO. Since the Director-General Hong Kong Economic and Trade Affairs, Jakarta assumed office on 13 September 2016<sup>2</sup>, part of the responsibilities of the Singapore ETO has been formally transferred to the Jakarta ETO. Specifically, the Jakarta ETO represents the HKSARG in matters between Hong Kong and ASEAN as a whole, and handles in particular matters between Hong Kong and Indonesia, Malaysia, Brunei Darussalam and the Philippines, while Singapore ETO is responsible for strengthening economic ties and network between Hong Kong and Singapore, Cambodia, Laos, Myanmar, Thailand and Vietnam.

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<sup>1</sup> The ten ASEAN member countries are Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

<sup>2</sup> The work of the Jakarta ETO is reported in Appendix 10.

## **Commercial Relations**

4. During the reporting period, the Singapore ETO actively promoted, among others, Hong Kong as an international financial centre, the premier offshore Renminbi centre, its unique role as the “super-connector” between Mainland China and ASEAN and related business opportunities on many occasions. During the visit of the Chief Secretary for Administration (CS) to Vietnam in August 2016, the Singapore ETO co-organised, with the Hong Kong Chinese General Chamber of Commerce and the Hong Kong Trade Development Council, a business luncheon in Ho Chi Minh City, which was attended by some 200 representatives from the Hong Kong and Vietnam business communities. CS shared, among others, on the opportunities arising from the Belt and Road Initiative and Hong Kong’s unique role as a gateway to Mainland China.

5. The Singapore ETO arranged the Secretary for Commerce and Economic Development (SCED) to address the 13rd ASEAN Leadership Forum, a high-level annual forum held alongside the ASEAN Economic Ministers’ Meeting, in August 2016 in Vientiane, Laos to promote Hong Kong’s contribution to the regional economic integration. The forum was attended by key players in government and business sectors.

6. The Singapore ETO provided support to Hong Kong, China’s participation in various meetings of the Asia-Pacific Economic Cooperation (APEC) held in the Philippines in October and November 2015, including the APEC Economic Leaders’ Meeting, the APEC Ministerial Meeting and the Transportation Ministerial Meeting, which were attended by CE, SCED and the Secretary for Transport and Housing respectively.

7. The Singapore ETO also organised and supported other visits by senior officials from Hong Kong, including the visit by the Secretary for Education to Singapore in October 2015; SCED’s visit to Bangkok, Thailand in December 2015; the visit by the Under Secretary for Education to Jakarta, Indonesia in December 2015; and the Secretary for the Civil Service’s visit to Singapore in March 2016.

8. During the reporting period, the negotiation of the Hong Kong-ASEAN Free Trade Agreement (FTA) was progressing steadily, with the completion of the fifth to eighth rounds of negotiation. The establishment of an FTA between Hong Kong and ASEAN would no doubt foster closer economic partnership in the region.

9. The ASEAN Community was established with effect from 31 December 2015. It comprises three pillars, namely “Political and Security Community”, “Economic Community” and “Socio-Cultural Community”. Given the diversity among ASEAN member states, the ASEAN Community would remain a work in progress in the near future and it is unlikely to achieve the integration level of the European Union. Nevertheless, the establishment of the ASEAN Economic Community offers opportunities in the form of a huge market of US\$2.6 trillion and over 622 million people. It echoes well with the Belt and Road Initiative given that both aim to promote enhancing connectivity and facilitating trade in the region.

10. For individual ASEAN member states, they are in different development stages and have diverse trade and investment regimes. Overall speaking, the ASEAN member states are moving toward further liberalisation and facilitation of trade and investment. Hong Kong investors all along have a strong presence in many of the member states, and could tap the opportunities arising from this trend. Some member states focus on domestic reform with a view to facilitating foreign investment. For example, Indonesia, the largest economy in ASEAN in terms of GDP and population, has been announcing different economic stimulus measures to attract foreign investment. Among others, it has pledged to simplify regulations affecting businesses, speed up procurement processes, reduce the time taken to issue licences and permits as well as offer tax holidays and grant greater property ownership rights to foreign investors in special economic zones. These measures offer a more business-friendly environment for investors from Hong Kong. Some member states pursue regional economic integration. For instance, Vietnam has been very active in pursuing free trade agreements with its trading partners, which improved its investment environment, and this is evidenced by the growing number of establishments of manufacturing facilities in Vietnam by foreign investors including those from Hong Kong. Monetary measures are another tool for some member states to deal with the uncertainty surrounding the global economy. Singapore shifted to zero appreciation policy for Singapore dollar in a bid to support the growth of the economy. The weakening Singapore dollar is considered conducive to tourism, making Singapore a more preferred destination than those places where currencies remain relatively strong, including Hong Kong.

## Public Relations

11. Senior officials' exchanges are an important element in strengthening bilateral ties between Hong Kong and ASEAN. Apart from organising and supporting visits by CE and Principal Officials to ASEAN as mentioned above during the reporting period, the Singapore ETO arranged key interlocutors, including the Secretary General of the Ministry of International Trade and Industry of Malaysia, Tan Sri Dr Rebecca Fatima Sta Maria, and the Ambassador Extraordinary and Plenipotentiary of PRC to Malaysia, Huang Huikang, to visit Hong Kong under the Information Services Department's Sponsored Visitors Programme.

12. The Singapore ETO also continued its efforts in promoting cultural exchanges between Hong Kong and ASEAN. We organised networking receptions and sponsored performances of visiting performance groups to promote Hong Kong's vibrant arts and cultural scene. For example, in January 2016, we supported the Asia Society Hong Kong Center's exhibition "Imminent Domain: Designing the Life of Tomorrow" in Singapore, featuring the designs by three local young designers, as well as the month-long Visual Arts Exhibition "More Than Words" in Singapore in March 2016, featuring Hong Kong-based artist Hikoko Chan and her father Sun Chan. We invited 80 members of the Hong Kong Sinfonietta to stage a Hong Kong production "A Soldier's Story" in Singapore in February 2016, and a 100-strong Asian Youth Orchestra to perform in Hanoi, Vietnam and Singapore during its summer programme in August 2016. Furthermore, the ETO invited arts groups, like the Spring-Time Experimental Theatre and Perry Chiu Experimental Theatre in May and June 2016 respectively, to bring Hong Kong stage productions to the region. A Hong Kong-Singapore production "Fleet" was staged for two weeks in the Singapore's Chinese Theatre Festival 2016 in July and August 2016 with the sponsorship of the ETO.

13. Initiated by the Singapore ETO in 2014, the ASEAN Internship Scheme for Hong Kong Higher Education Students (previously called ASEAN Internship for University Students of Hong Kong Scheme) continued to receive very positive responses. More than 150 interns were placed in eight ASEAN countries<sup>3</sup> in the 2016 round. Host organisations offering internship places included international organisations, academic institutions, think-tanks, arts and cultural groups, start-ups, private companies, etc. The scheme contributes positively to further enhancing the bilateral relations between Hong Kong and the ASEAN countries, as well

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<sup>3</sup> Namely Brunei Darussalam, Cambodia, Indonesia, Malaysia, Myanmar, Singapore, Thailand and Vietnam.

as offers our young people invaluable opportunities to widen their horizon and a taste of the vibrant ASEAN region. Echoing the Belt and Road Initiative which aims to enhance, among others, people-to-people bonds, starting from the 2016 round, the ETO has extended the scheme to cover three more Hong Kong higher education institutions on top of the original eight University Grants Committee-funded institutions. They are the Hong Kong Academy for Performing Arts, Hong Kong Shue Yan University and Hang Seng Management College.

14. The Singapore ETO outreached proactively to key interlocutors in the region, including the Hong Kong communities, government officials, media and think-tanks, to keep them abreast of Hong Kong's latest situation and economic developments. The ETO hosted two gatherings during the reporting period to meet with more than 350 active interlocutors from the Hong Kong communities, as well as one gathering for student interns working in Singapore to provide an opportunity for them to exchange experience.

15. The Singapore ETO arranged journalists from Singapore, Indonesia and Thailand to visit Hong Kong under the Sponsored Journalists Programme to help them understand more about Hong Kong's latest developments. Media interviews with senior government officials from Hong Kong were also arranged during their visits to the ASEAN region to share on Hong Kong's latest developments.

### **Investment Promotion**

16. As at September 2016, the Investment Promotion Unit (IPU) of the Singapore ETO met with more than 130 ASEAN companies and assisted 37 of these companies in establishing their business in Hong Kong. As part of its efforts to engage companies in ASEAN, the IPU organised 15 investment promotion visits to Singapore, Vietnam, Thailand and the Philippines, and organised/co-organised/attended a number of outreach events such as the Seminar on Hong Kong Maritime Sector (in Singapore) and the Philippines Young Entrepreneurs Association Business Seminar (in Manila). Such events highlighted the business opportunities in Hong Kong and the benefits of establishing a presence there.

### **Looking Ahead**

17. In the coming year, the Singapore ETO will, together with the

Jakarta ETO, continue to enhance Hong Kong's presence in and further integration with ASEAN. We will continue to renew and establish ties with key government officials, chambers of commerce, business communities, academia and think-tanks in ASEAN. We will also continue to support the work related to the negotiations of the Hong Kong-ASEAN FTA. In addition, we will keep on promoting the strengths of Hong Kong, the "One Country, Two Systems" principle and the Basic Law, and more exchanges between Hong Kong and ASEAN on various fronts.

Hong Kong Economic and Trade Office, Singapore  
October 2016

## **Report on the Work of the Toronto ETO**

The Toronto ETO is responsible for promoting bilateral economic, trade and cultural relations between Hong Kong and Canada.

### **Commercial Relations**

2. During the reporting period, the Toronto ETO continued to promote Hong Kong's strengths and its unique position as the gateway for Canadian businesses to venture into Mainland China and other parts of Asia. We also maintained regular contacts with the three levels of government and local business chambers.

3. The Toronto ETO organised various business seminars and events in major cities across Canada in conjunction with the Hong Kong Trade Development Council, the Hong Kong-Canada Business Association and other local trade bodies. At these events, we promoted the unique position of Hong Kong as the "super-connector" between Mainland China and the rest of the world, as well as how Canadian companies doing business in Hong Kong could take advantage of the Closer Economic Partnership Arrangement between Mainland China and Hong Kong for better access into the Mainland market and benefit under the Hong Kong-Canada Comprehensive Avoidance of Double Taxation Agreement. In addition, we vigorously promoted the unique role of Hong Kong and opportunities for business collaboration under the Belt and Road Initiative, and staged exhibitions on this subject on suitable occasions across Canada.

4. The Toronto ETO also participated in various sector-specific business events to promote the economic pillars and new industries in Hong Kong. We took part in events in major Canadian cities to showcase our position as a major international financial centre cum premier Renminbi offshore centre and a global logistics hub, as well as the vast investment opportunities in clean technology in the region. We also promoted the vibrant start-up ecosystem in Hong Kong and the various business and start-up facilitating measures of the HKSARG.

5. To further illustrate Hong Kong as the springboard to Asia, we continued to support an established business award event organised by a local business association in March 2016 and presented the "Best Asia



Pacific Business Award” on the occasion. The annual award showcased success stories of Chinese Canadian entrepreneurs who had established or expanded their business in the Asia Pacific Region through Hong Kong. The Toronto ETO also collaborated with Canada China Business Council for the first time to present a “Hong Kong Regional Connector Award” to commend a Canadian enterprise which had successfully used Hong Kong as part of its Greater China and/or Asia strategy.

6. In February and June 2016, the Secretary for Commerce and Economic Development visited Toronto, Vancouver and Calgary to foster bilateral trade ties between Hong Kong and Canada. He visited various start-up incubators/accelerators to promote Hong Kong’s vibrant start-up ecosystem and explore collaboration opportunities. He also made presentations to the local business sectors on Hong Kong’s role under the Belt and Road Initiative. The highlight of his visit in February 2016 was to sign the Investment Promotion and Protection Agreement (IPPA) between Hong Kong and Canada with Federal Minister of International Trade.

7. The Prime Minister of Canada paid a three-day official visit to Hong Kong in September 2016. The Chief Executive met with the Prime Minister on 6 September to exchange views on issues of mutual concern and introduced Hong Kong’s “super-connector” role between Mainland China and the rest of the world to the Prime Minister. The bilateral IPPA between Hong Kong and Canada entered into force on the same day. The Agreement will give additional assurance to investors, expand investment flows, and further strengthen the existing strong economic and trade ties between the two economies.

## **Public Relations**

8. During the reporting period, the Toronto ETO continued to organise and participate in various publicity and community events and reach out to local community in order to raise Hong Kong’s profile.

9. To help attract talents to Hong Kong, the Toronto ETO organised career talks and gatherings as well as participated in career fairs at major universities across the country to brief students on the latest developments and opportunities in Hong Kong. At these events, we introduced the various admission schemes for talents, professionals and entrepreneurs, including the pilot Admission Scheme for the Second Generation of Chinese Hong Kong Permanent Residents (ASSG). In November 2015, the Secretary for Security also visited Toronto and Vancouver to, *inter alia*,

promote the various admission schemes, in particular ASSG, to students and the local Hong Kong communities. To step up promotion, the ETO embarked on an ASSG publicity campaign in September 2016, which included launch of two new videos featuring successful Canadian ASSG candidates, publication of online and offline supplements in English and Chinese newspapers, and production of a new dedicated webpage on ASSG for Canadians.

10. To promote Hong Kong's arts and culture, the Toronto ETO supported the Hong Kong Ballet's North American tour in March 2016, which covered four cities (Ottawa, Burlington, Markham and Kingston). We also sponsored a comic exhibition entitled "Tian Tian Xiang Shang – Blank Boy Canvas" in Toronto by Hong Kong artist Danny Yung in December 2015. In addition, the Toronto ETO sponsored The Young Academy Cantonese Opera Troupe of the Hong Kong Academy for Performing Arts to stage a performance of "The Monkey King" in Toronto in September 2016. A seminar was also held before the performance at the University of Toronto at which Mr. Fredric Mao shared with members of the local community the development and succession of the art of Cantonese opera.

11. To promote Hong Kong's film industry, the Toronto ETO, in collaboration with the Toronto Reel Asian International Film Festival, organised a "Hong Kong Spirit" film showcase in May 2016 featuring two Hong Kong films. Film director Ruby Yang of "My Voice My Life" and one of the students in the documentary had an exchange with the audience after the screening. At the same time, we continued to work with organisers of various international film festivals across Canada to sponsor the screening of Hong Kong films.

12. The Toronto ETO continued to take the opportunities of the Chinese New Year celebrations, dragon boat race festivals and other community events held in major cities across Canada to promote Hong Kong through public speaking and exhibitions. In partnership with the Hong Kong Tourism Board, we held spring receptions in Toronto and Vancouver to promote Hong Kong's various tourist attractions.

13. Toronto ETO also continued to work with different local bodies to organise Chinese debate, calligraphy and painting competitions with themes relating to Hong Kong and the Basic Law. A member of the Working Group on Overseas Community of the Basic Law Promotion Steering Committee visited Vancouver in February 2016, and spoke on the

implementation of the Basic Law at a dinner with the local Hong Kong community.

14. The Toronto ETO continued to engage the English and Chinese media to enhance our publicity efforts. A year-end briefing was conducted for the media. In order to promote Hong Kong as Asia's world city, a series of "Our Hong Kong" advertisements developed under the Brand Hong Kong communications programme promoting our financial services, innovation and technology, arts and culture and green living were put on the nation-wide newspaper *The Globe and Mail* and Montreal daily *La Presse* in February and March 2016 respectively.

### **Investment Promotion**

15. The Investment Promotion Unit (IPU) of the Toronto ETO continued to facilitate Canadian companies to invest and expand in Hong Kong. During the reporting period, the IPU met with 160 companies and assisted 13 companies in establishing their business operations in Hong Kong. The IPU supported seminars, business luncheons and other promotion activities led by the ETO and organised investment promotion visits for Invest Hong Kong directorates. The IPU continued to generate new contacts and cooperate with multipliers to promote Hong Kong as a prime location for investment and doing business.

### **Looking Ahead**

16. The Toronto ETO will continue to leverage on the close relations between Hong Kong and Canada to promote business and trade, support cultural and other exchanges between the two places, and attract talents to Hong Kong.

Hong Kong Economic and Trade Office, Toronto  
October 2016