

SCED's speech at gala dinner in Berlin (English only)

Following is the speech by the Secretary for Commerce and Economic Development, Mr Gregory So, at a gala dinner in Berlin organised by the Hong Kong Economic and Trade Office, Berlin on June 1 (Berlin time):

Distinguished guests, ladies and gentlemen,

Guten abend. ("Good evening" in German.)

Last November, I attended the 14th Asia-Pacific Conference of German Business in Ho Chi Minh City. I was very much impressed by the excellent organisation of such a grand event, and more importantly, the great foresight of the German business community some 30 years ago in the economic development of the Asia-Pacific region. There I was invited to visit Germany, and here I am tonight in Berlin.

Just like your beautiful city, Hong Kong is vibrant, cosmopolitan, and has a lot to offer. You may already know us as an international financial centre and trading hub. Our unique East-meets-West culture and excellent location continue to attract tourists both from Mainland China and around the world. In Hong Kong, visitors can enjoy city-wide duty-free shopping, extraordinary cuisine, bustling street scenes, lively nightlife and world-class theme parks, all in a very safe multicultural and multilingual environment. What you may not know is that some of our sandy beaches and scenic hiking trails are just half an hour's drive from our central business district.

Germany and Hong Kong have long been good business partners. Germany is our largest trading partner in Europe, with some 14 billion Euros worth of bilateral trade last year. German companies have been active in our region for more than 100 years, and continue today to make significant contribution to our economy. With an estimated 3 000 German citizens working and living in Hong Kong, the German expatriate community is a great source of ideas and enterprise. In fact, Germany is everywhere in our city, from the sophisticated German engineering that supports our massive infrastructure development to the cars that we drive and the beer that we enjoy so much. I should also mention that the German national football team has a strong fan base in Hong Kong.

For German companies with a presence in the Asia-Pacific region, Hong Kong is an important base. And Hong Kong has always been a good place for doing business. For

21 consecutive years, we have been ranked the world's freest economy by the Heritage Foundation. We are also ranked the third in ease of doing business by the World Bank.

The strong presence of German business in Hong Kong speaks of the confidence you have in our distinct advantages. These include the rule of law, which is underpinned by an independent judiciary, our low and simple tax system, free flow of information, capital and goods, as well as superb transport and communications infrastructure. That infrastructure, which we are constantly expanding and upgrading, connects us to global, Asian and, of course, the Mainland Chinese markets.

Over the past three decades, our free-trade experience and global connections have been instrumental in supporting Mainland China's opening up to the world. For German companies, we are the fastest and the most efficient route to the Mainland's huge business opportunities.

German companies can take advantage of Hong Kong's free-trade pact with Mainland China, known as the Closer Economic Partnership Arrangement, or CEPA. CEPA lowers, even eliminates, barriers to trade in goods and services between Hong Kong and the Mainland.

Established in 2003, CEPA now includes more than 400 liberalisation measures covering a wide range of services areas.

As CEPA is nationality-neutral, German firms incorporated in Hong Kong can use CEPA to gain tariff-free entry into the Mainland market for goods produced in Hong Kong. They can also enjoy preferential treatment in accessing the Mainland's services sectors, including financial and legal services, logistics, tourism and much more. In short, CEPA can help boost trade not just between Germany and Hong Kong, but also between Germany and China as a whole.

The new Silk Road Economic Belt and 21st Century Maritime Silk Road programmes of China, known as "One Belt, One Road", now offer tremendous growth prospects. The initiatives look to expand China's transcontinental connectivity and promote economic, political and cultural development among countries spanning three continents. The Silk Road Economic Belt will link China with Europe via central and western Asia, while the Maritime Silk Road will deepen the Mainland's connections with Southeast Asia, Africa and Europe. With our long-standing and unique role as the "super-connector" between the vast Mainland Chinese market and the rest of the world,

Hong Kong is poised to benefit from this new framework for organising multinational economic development. And for German companies with investment and operations in Hong Kong, that means new business and new opportunities.

The next Asia-Pacific Conference of German Business will be held in Hong Kong in November 2016. I am very much encouraged by the confidence of German businesses in Hong Kong, in choosing Hong Kong as the host city. This signifies the long-established friendship between Hong Kong and Germany, and highlights our importance as a financial and trading hub in the region.

Hong Kong is not only about trade and finance. We are also renowned for our hospitality to visitors. For those of you who are attending the Conference, I look forward to welcoming you in Hong Kong next year.

Vielen dank und guten appetit. ("Thank you very much and bon appetit" in German.)

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