

Speech by FS at Wine and Dine Festival 2011 opening ceremony (English only)

\*\*\*\*\*

Following is the speech delivered by the Financial Secretary, Mr John C Tsang, at the opening ceremony of Hong Kong Wine and Dine Festival 2011 held at West Kowloon Waterfront Promenade today (October 27):

James (Tien), Pierre (Goguet), distinguished guests, ladies and gentlemen,

Good evening.

It is my great pleasure to join you all for the opening ceremony of the Hong Kong Wine and Dine Festival 2011.

A warm welcome to everyone and especially to our friends from Bordeaux - our partner region for this Festival.

Just like previous years, the Wine and Dine Festival offers a wonderful blend of wine and food, friends and colleagues, a relaxing atmosphere and a stunning backdrop.

Now in its third year, the Festival continues to grow in size and stature; we now have more visitors, more exhibitors and more opportunities to do business. People are also a lot more knowledgeable about their favourite food and wine these days.

Let me share with you some information on the latest developments of our wine industry. The growth of the wine trade in Hong Kong continues to be encouraging since the exemption of wine duties in my Budget in 2008. The total value of our wine imports jumped 80 per cent in 2008; 41 per cent the following year; and 73 per cent last year. In just the first eight months of this year the value of our wine imports reached HK\$6.6 billion (US\$850 million). That is a 65 per cent increase year-on-year.

France remains our single largest source of wine. The value of our French wine imports has increased three-fold over the past three years to exceed \$4.1 billion (US\$529 million) last year. We have already surpassed that amount in the first eight months of this year.

In 2010, Hong Kong moved ahead of New York to become the world's largest wine auction centre. So far this year, we have held 22 wine auctions with total sales valued at HK\$1.3 billion (US\$172 million) which is already more than for the whole of last year.

A growing number of wine-related companies are getting set up or expanding their operations here. Related sectors such as tourism, hospitality and catering have all benefited. This Wine and Dine Festival is an example of how to turn a great idea into reality - with more than a little help from our friends from all over the world.

Urban wineries, sophisticated wine bars and even wine mortgages are among the new forms of business that have emerged over the past few years. In his Policy Address earlier this month, our Chief Executive announced the setting up of an International Cuisine College. This will further boost our city's reputation as the culinary capital of Asia.

According to our survey of local wine storage companies earlier this year, total storage area has increased by about 60 per cent since 2008. The quantity of wines stored at these sites has grown by about 75 per cent.

The Hong Kong Quality Assurance Agency successfully rolled out a storage certification scheme in 2009 to accredit facilities which meet stringent international standards. The scheme is being extended to cover retail as well as transportation sectors.

Ladies and Gentlemen, the Bordeaux region of France provided the inspiration for this Wine and Dine Festival. We are delighted that Bordeaux has remained our strong partner in making this event such a great success.

Bordeaux was also the first region to sign a wine promotion co-operation agreement with us back in 2008. This includes co-operation on wine education and training. One of our wine training institutions has partnered with Bordeaux to run Asia's first wine MBA course in Hong Kong. Their first cohort of students graduated in Bordeaux just last week (October 21).

We also look forward to staging the Vinexpo Asia-Pacific in Hong Kong again next year. It will be the fifth Vinexpo to be held in Hong Kong. I hope that many of you will come back for that event. And please do visit the Hong Kong Wine and Spirits Fair next week.

In the meantime, I wish you all an enjoyable Wine and Dine Festival tonight.

Thank you very much, Santé!

Ends/Thursday, October 27, 2011

Issued at HKT 19:58

NNNN