

Hong Kong & Mainland China News –May-2017

Disneyland expansion benefits HK

By archive.news.gov.hk

Tuesday, May 2, 2017

Hong Kong Disneyland's expansion will bring economic benefits worth up to \$41.6 billion.

Secretary for Commerce & Economic Development Gregory So made the statement to the media today after the Legislative Council approved the funding application for the park's expansion.

Mr So said the move is a very important tourism infrastructure project which will bring 3,500 construction jobs and up to 8,000 new job vacancies.

He said the revamped Disneyland will attract more tourists to Hong Kong, especially overnight visitors with higher purchasing power.

The Government reached the best possible deal with the Walt Disney Company.

"We have gone through a lot of analysis. We have also pushed very hard in the negotiation. We believe this package is really the best package that we can achieve," Mr So said.

HK's economy grows 4.3 percent in first quarter

By news.rthk.hk

Friday, May 12, 2017

Hong Kong's economy grew by 4.3 percent year-on-year in the first quarter of this year, up from the 3.2 percent growth recorded in the previous quarter.

The growth also marks the biggest expansion since the second quarter of 2011.

The government said the performance is better than expected amid the strengthening of external demand.

Acting Government Economist Andrew Au said he expects the local economic environment to improve further on the back of a strong mainland economy. He said he also expects the local trade and tourism industries to grow.

However, as the global economic outlook remains uncertain, the government is expecting GDP growth this year to stand at 2 to 3 percent, as announced in the budget earlier this year.

HK-ASEAN trade pact to be signed

By www.news.gov.hk

Saturday, May 13, 2017

Hong Kong will sign a free trade pact with the Association of Southeast Asian Nations by the end of this year.

Speaking to the media after attending a radio programme today, Secretary for Commerce & Economic Development Gregory So said ASEAN is Hong Kong's second-largest trading partner.

"The Hong Kong – ASEAN Free Trade Agreement negotiation is progressing very well. We almost completed the negotiation on the major items. It is our plan that the agreement will be entered into by the end of this year.

"The other economies will also have to follow the domestic agenda and procedures, before we will be in a position to sign this together. There are 10 countries involved plus Hong Kong, so time must be allowed to finish complying with all these procedures."

Belt-Road forum to benefit HK

By www.news.gov.hk

Monday, May 15, 2017

Hong Kong will benefit hugely from the Belt & Road forum in Beijing.

Chief Executive CY Leung made the statement today, saying many foreign leaders are taking seriously Hong Kong's super-conductor role in the Belt & Road Initiative.

Concluding his participation in the Belt & Road Forum for International Co-operation, Mr Leung told the media forum participants were impressed with Hong Kong's outstanding record in the design, construction and management of infrastructure.

Mr Leung said they appreciated the experiences he had shared with them concerning the financing of infrastructure undertaken in Hong Kong.

The rise in land value along the railways and highways built in Hong Kong in recent decades has been put back into the government coffers as share capital, he said, adding the participants felt such financing methods deserve consideration.

Mr Leung said he will discuss Hong Kong's role in the Belt & Road Initiative with the Executive Council, the Commission on Strategic Development and the Economic Development Commission.

Super-connector role of HK

By www.thestandard.com.hk

Monday, May 15, 2017

Hong Kong as "the world's China financial center" provides the connectivity between the mainland and the rest of the globe for Belt and Road projects, Chief Executive Leung Chun-ying said in Beijing.

Leung spoke at the thematic session on financial connectivity at the Belt and Road Forum for International Cooperation yesterday.

As an international city with no capital control and ranked by the Heritage Foundation as the world's freest economy for 23 years in a row, Hong Kong has attracted some 8,000 mainland and foreign firms to set up offices in the SAR, he said.

Financial connectivity lies at the heart of the Belt and Road, Leung added, and Hong Kong enjoys "super- connectivity" under the "one country, two systems" principle.

"We have a deep pool of financial professionals of all nationalities. Bankers, lawyers, accountants, risk managers in Hong Kong are well versed in cross-border transactions," Leung said.

"All these have made us the 'super- connector' between China and the rest of the world."

Another field in which Hong Kong can help is its experience in project management and operational management to make sure that the infrastructure projects are of high quality.

Taking MTR Corp Ltd as an example, Leung said it also manages railways in the mainland, Britain, Sweden and Australia.

Hong Kong is also the world's largest offshore yuan business center.

"As the renminbi becomes increasingly popular as a financing and transaction currency for Belt and Road projects, Hong Kong stands ready to offer our services to investors around the world."

The Guangdong-Hong Kong- Macau Bay Area is at the heart of a strategic point of the Belt and Road, with its development plan now under preparation.

"In this new regional cooperation initiative, financial services will be Hong Kong's key strength," Leung said.

The financial connectivity session is one of six sessions held simultaneously yesterday afternoon at the forum.

Xi decries protectionism, touts Silk Road

By news.rthk.hk

Monday, May 15, 2017

President Xi Jinping urged world leaders to reject protectionism on Monday at a summit positioning Beijing as a champion of globalisation, as some countries raised concerns over his trade ambitions.

Xi addressed almost 30 leaders on the second day of a forum on his new Belt and Road plan, an infrastructure project Beijing hopes will revive ancient trade routes from Asia to Europe and Africa.

"Globalisation is encountering some headwinds," Xi told leaders from Spain to Turkey, Russia and Pakistan at a convention centre near the Great Wall on the outskirts of Beijing.

"We need to seek results through greater openness and cooperation, avoid fragmentation, refrain from setting inhibitive thresholds for cooperation or pursuing exclusive arrangements, and reject protectionism", Xi said.

At the opening of the meeting on Sunday, Xi pledged to pump an extra US\$124 billion into the China-bankrolled project, which involves a huge network of ports, railways, roads and industrial parks. The China Development Bank had already earmarked US\$890 billion for some 900 projects.

The initiative spans 65 countries representing 60 percent of the world population and around a third of global gross domestic product.

While some see Beijing's project as a geopolitical powerplay, Xi has insisted that the Belt and Road is open to everybody. "In a world of growth, interdependence and challenges, no country can tackle the challenges or solve the world's problems on its own," he said as he sat next to Russian President Vladimir Putin.

Putin and other leaders, including Turkish President Recep Tayyip Erdogan, applauded the initiative, which Xi unveiled in 2013.

But some officials expressed caution, with German Economy Minister Brigitte Zypries calling for transparency to ensure that the calls for investment bids are "non-discriminatory".

Bond Connect to open to HK investors first

By news.rthk.hk

Tuesday, May 16, 2017

The Hong Kong Monetary Authority (HKMA) and the People's Bank of China (PBOC) approved a cross-border bond trading link on Tuesday, saying the "Bond Connect" scheme will be launched in phases.

In a joint statement, the PBOC and HKMA said northbound trading will begin first, allowing investors in Hong Kong to tap into the mainland's bond market.

Southbound trading "would be explored in due course", the statement said.

No date for the start of the first phase was given.

Financial Secretary Paul Chan welcomed the announcement. "I am pleased that Hong Kong, as China's international financial centre, continues to play a unique and significant role in the opening up of the mainland's financial markets to the rest of the world", he said.

HK launches free trade talks with Australia

By news.rthk.hk

Tuesday, May 16, 2017

Hong Kong has formally opened talks with Australia on a potential free trade deal that could include an agreement to prevent double taxation.

The Secretary for Commerce and Economic Development, Greg So, launched the negotiations on Tuesday morning at a ceremony in Hong Kong together with the Minister for Trade, Tourism and Investment of Australia, Steven Ciobo.

So said both sides will work towards lowering trade barriers, while enhancing capital flows and market access for trade in services. An agreement would, he said, be conducive to strengthening Hong Kong's role as an international trade, commerce and financial centre.

"Hong Kong and Australia have respective strengths in different business areas, in which some are complementary to each other", So said. "We see tremendous room for us to further our co-operation and deepen our trade and economic liberalisation with a view to bringing our economies to new heights."

Asked if the talks will include negotiations on a Comprehensive Double Taxation Agreement (CDTA) to prevent residents from being taxed twice on the same income, So said "we will be looking at all avenues for further collaboration".