

Speech by CS at seminar on “China’s 40 Years of Reform and Opening Up: Implications for the World and Role of Hong Kong” (English only) (with photo/video)

Following is the speech by the Chief Secretary for Administration, Mr Matthew Cheung Kin-chung, at the seminar on "China's 40 Years of Reform and Opening Up: Implications for the World and Role of Hong Kong" this afternoon (October 29):

Mr Dominique de Villepin (former Prime Minister of France), Mr Yukio Hatoyama (former Prime Minister of Japan), Mr Li Zhaoxing (Honorary President of the Chinese People's Institute of Foreign Affairs, former Minister of Foreign Affairs), Ms Charlene Barshefsky (former United States Trade Representative), Commissioner Xie (Commissioner of the Ministry of Foreign Affairs of the People's Republic of China in the Hong Kong Special Administrative Region, Mr Xie Feng), Dr Ronnie Chan (Chairman of the Executive Committee of the Better Hong Kong Foundation), Professor Lawrence Lau (former Vice-Chancellor and President, Chinese University of Hong Kong), distinguished speakers and guests from overseas, ladies and gentlemen,

Good afternoon. In early 1978, the then Chinese Vice-Premier Gu Mu led a delegation to France and other Western European countries to understand the economic structure and development of Europe. At that time, Beijing's international airport could manage the landing and takeoff of two planes per hour, whereas at Charles de Gaulle Airport of Paris, 60 flights took off and landed in an hour. Understandably, the Chinese delegation was spellbound.

In December of 1978, the Central People's Government made an important step and pushed through multiple economic reforms, opening up China to the world. History was made thereafter.

We began to witness an unprecedented growth in the Chinese economy, and how it swiftly and effectively raised the living standards of its vast population. The world watched in awe as Mainland China created countless economic miracles and gradually increased its influence on global issues. This transformation has changed the way that the world does business. China not only exported consumption goods such as sweaters, water bottles, mobile phones, but also technology and ideas. From 1979 to 2017, China's average economic growth stood at 9.5 per cent, significantly higher than the 2.9 per cent global average.

In 2001, China became a member of the World Trade Organization (WTO), completing the last leg of the country's journey of integration into the

world economy. WTO membership has opened up China's market for more international trade and investment, as well as opening up the world economy for China's exports. "Made in China" became a household brand, drastically changing consumer habits in every corner of the world.

In the wake of the country's reform and opening up, Hong Kong's labour-intensive production processes were relocated north to the Mainland. Hong Kong's geographic proximity to the Mainland has allowed easy access to the huge market and the vast population in the Mainland. Businessmen from Hong Kong equipped with capital, international trading networks and management expertise started from Shenzhen, and then slowly built up a sophisticated manufacturing network in Dongguan and other cities in Guangdong, shipping all their products to the world. Success stories of Hong Kong enterprises quickly caught the world's attention, and encouraged many multinational companies to invest in China.

Hong Kong does not only contribute to the economy of China, but has also benefited substantially in many ways. At the dawn of the reform and opening up, as factories were moved to the Mainland, Hong Kong began to transform itself into a service economy, becoming an international finance, trading and maritime centre.

When we look back at the past four decades, there is absolutely no doubt that China's reform and opening up has brought prosperity and stability to the country, as well as important changes to the economic and social landscape of Hong Kong. Hong Kong has grown from an economy focusing on light industries such as textiles and clothing, toys, watches and more to become an international financial, trading and transportation hub. Indeed, the Washington-based Heritage Foundation has rated Hong Kong the world's freest economy for 24 years in a row.

As an externally oriented, open and vibrant economy with a robust legal system and the rule of law; as an international financial, business, professional services, logistics and maritime centre; and as a safe and welcoming metropolis with world-class infrastructure where East blends harmoniously with West, Hong Kong is strategically placed and, indeed, destined to play a crucial role as the super-connector, super-facilitator and super-promoter between China and the world as our country continues to open up to the rest of the world.

To contribute towards the country's comprehensive reform, Hong Kong will strengthen its co-operation with the Mainland. Travelling to the Mainland cities is now much faster than ever. The Hong Kong section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link came on stream last month (September). The Hong Kong-Zhuhai-Macao Bridge has just commenced service. The Liantang/Heung Yuen Wai border crossing is expected to come into operation in the first half of next year and will further improve connectivity to the eastern part of the Pearl River Delta.

Leveraging on our capability in scientific and technological research with four of our universities amongst the world top 100, and our

institutional strengths and unique advantages under "one country, two systems", Hong Kong is well placed to contribute to the national strategy of developing the Guangdong-Hong Kong-Macao Greater Bay Area into an international innovation and technology hub.

As we celebrate this important occasion, an occasion for the 40th anniversary, let me reassure our international and local audience today that Hong Kong will continue to contribute to the reform and opening up of the motherland by playing a key and constructive role for the long-term development and prosperity of the country.

So I am cutting my story short so that we can have more time for panel discussion. Thank you very much indeed.



[Speech by CS at Belt and Road Conference \(English only\) \(with photos/video\)](#)

Following is the speech by the Chief Secretary for Administration, Mr Matthew Cheung Kin-chung, at the Belt and Road Conference co-organised by China Daily and the Silk Road Economic Development Research Center today (October 29):

Mr Zhou Li (Publisher and Editor-in-Chief of China Daily Asia Pacific), Mr Joseph Chan (Chairman of Silk Road Economic Development), His Excellency Mr Rashid Alimov (Secretary-General of the Shanghai Cooperation Organisation) distinguished speakers, guests, ladies and gentlemen,

Good morning. It is my great pleasure to be invited to attend the 4th edition of the Belt and Road Conference today. I have chosen for my talk the theme of "Unleashing Innovation and Technology Potentials for Intra-Regional Co-operation in the Greater Bay Area" because the Greater Bay Area forms a convergent point for the Belt and Road corridors. This year, we celebrate the

40th anniversary of reform and opening up of the country. Thanks to this innovative and visionary breakthrough over the past four decades, the country has grown and transformed itself into one of the largest economies in the world. As President Xi Jinping has said, never in our history have we been so close to realising the Chinese dream of national rejuvenation.

Against this backdrop, innovation and technology (I&T) plays an increasingly important role in driving economic growth and improving the livelihood of our citizens. Leveraging on our advantages in scientific research capabilities, internationalisation, a robust legal system and our status as an international financial, business and logistics centre, Hong Kong is in an excellent position to contribute to the national strategy of innovation-driven development, namely building the Guangdong-Hong Kong-Macao Greater Bay Area into an international I&T hub.

Since the signing of the "Framework Agreement on Deepening Guangdong-Hong Kong-Macao Cooperation in the Development of the Bay Area" between the National Development and Reform Commission and the governments of Guangdong, Hong Kong and Macao in July last year, we have been working proactively and closely with the relevant central authorities and governments of Guangdong and Macao in taking forward new policies conducive to the I&T development in the region. I am excited to share with you that much progress has since been made.

First and foremost, we received encouraging news on President Xi's personal instruction supporting the development of Hong Kong into an international I&T hub. We are greatly encouraged by President Xi's affirmation that Hong Kong has a solid science and technology foundation and a strong pool of quality technology talents, and his acknowledgement of Hong Kong's role as an important force in implementing the national innovation-driven development strategy and in building an innovative country. Indeed, Hong Kong has a firm science and technology grounding with four of our government-funded universities among the world's top 100. In May this year, the national Ministry of Science and Technology and the Ministry of Finance announced a new policy, allowing universities and research institutions in Hong Kong to apply for science and technology funding granted by the Central Government and use the relevant funding in Hong Kong. This arrangement strengthens scientific and technological collaboration between the Mainland and Hong Kong and pools world-class research institutes, talent and funding in Hong Kong.

Following our Chief Executive's attendance at the first meeting of the leading group led by Vice-Premier Han Zheng for the development of the Greater Bay Area in Beijing in August, more initiatives have been announced. Last month, the Ministry of Science and Technology and the Innovation and Technology Bureau of the Hong Kong Special Administrative Region (HKSAR) Government signed a co-operation arrangement to promote exchanges and collaboration on science and technology as well as an agreement on jointly funded projects. The two sides will enhance co-operation in six areas, namely scientific research, development of platforms, nurturing of talent, transfer of research and development (R&D) results and incubation of I&T industry, integration into national development strategies, and

cultivation of an I&T atmosphere. The two documents mark a new page of scientific and technological collaboration between the Mainland and Hong Kong.

Meanwhile, the Chinese Academy of Sciences will establish a presence of its research institutions, the Guangzhou Institutes of Biomedicine and Health and the Institute of Automation, in the two research clusters to be set up at the Hong Kong Science Park. This will enhance R&D collaboration with local higher education institutions and research and development centres. I will talk more about these clusters later on.

Hong Kong has more than 40 academicians from the Chinese Academy of Sciences and Chinese Academy of Engineering. We will establish a Greater Bay Area academician alliance in Hong Kong to promote the participation of academicians in the development of the Greater Bay Area.

With strong national support, the HKSAR Government is committed to fostering I&T development in Hong Kong. We will step up our efforts in eight major areas, namely increasing resources for R&D; pooling together technology talent; providing investment funding; providing technological research infrastructure; reviewing existing legislations and regulations; opening up government data; Government leading changes to procurement arrangements and strengthening popular science education.

Further to the \$78 billion invested in the past three years, the Policy Address this year announced by our Chief Executive on October 10 has further allocated \$28 billion for I&T development. The unprecedented resources invested are the best proof of our commitment to developing I&T.

Our Chief Executive has announced a number of new initiatives in her second Policy Address, focusing on expediting re-industrialisation; unleashing the R&D capability of universities and research institutions and fostering technology transfer; bringing I&T into the daily lives of citizens; and building a technology-savvy Government. For example, we will launch a \$2 billion Re-industrialisation Funding Scheme to subsidise manufacturers, on a matching basis, to set up smart production lines in Hong Kong. To unleash our strengths in scientific research, we will double the funding ceiling for Technology Transfer Offices of dedicated universities, the Technology Start-up Support Scheme for Universities, State Key Laboratories and Hong Kong branches of the Chinese National Engineering Research Centre, providing more resources for R&D and its commercialisation.

Among our key initiatives is the establishment of two world-class research clusters, as I mentioned earlier, at the Hong Kong Science Park, namely "Health@Inno HK" that focuses on healthcare technologies, and "AIR@Inno HK" that focuses on artificial intelligence (AI) and robotics technologies. We will invest \$10 billion to establish the two clusters, which will foster more synergy and collaboration between top local and overseas researchers and put Hong Kong on the global innovation map. Our targets are top-notch universities, research institutions and technology enterprises from all over the world. We will provide financial support for research centres and laboratories set up by non-profit making institutions at the two

clusters. It is encouraging that in recent months, a number of world-renowned universities and research institutions have already approached us, expressing a keen interest in setting up research operations in Hong Kong.

We welcome more research institutions and technology enterprises from the Belt and Road economies or AI/robotics technologies to come to Hong Kong and join the two research clusters. This will enable them to tap the enormous growth potential of I&T markets in the Greater Bay Area. Such collaboration will surely be a win-win for all parties.

Meanwhile, we are working full steam ahead to develop the Lok Ma Chau Loop into the Hong Kong-Shenzhen Innovation and Technology Park. With a site area of 87 hectares – four times that of the Hong Kong Science Park in Tai Po, the Hong Kong-Shenzhen Innovation and Technology Park will be Hong Kong's largest I&T platform ever, creating unprecedented opportunities for I&T development and collaboration. The Park will be developed as a key base for scientific research, where relevant higher education, cultural and creative, as well as other complementary facilities will be provided. It will attract top-tier research institutions, technology enterprises and higher education institutes from Hong Kong, the Mainland and overseas. We have set aside \$20 billion for the first phase development of the Park.

In addition to infrastructure, talent is also an essential piece in the jigsaw of I&T development. We launched the Technology Talent Admission Scheme in June to enable technology companies and institutes to admit on fast track overseas technology talent in focused technology areas, such as biotechnology, artificial intelligence, cybersecurity and robotics.

We also launched the \$500 million Technology Talent Scheme in August. The Postdoctoral Hub programme provides funding support for enterprises to recruit postdoctoral talent for scientific research and product development. The Scheme will also fund local companies on a 2 to 1 matching basis to train their staff in high-end technologies, especially those related to Industry 4.0, through its Re-industrialisation and Technology Training Programme.

To encourage private investment in R&D, we have also introduced enhanced tax deduction for R&D investment. The first \$2 million eligible R&D expenditure will enjoy a 300 per cent tax deduction, with the remainder at 200 per cent.

Ladies and gentlemen, with I&T development high on the national agenda, and enjoying the dual advantage of "one country, two systems", Hong Kong will continue to seize the invaluable opportunities brought about by the Greater Bay Area initiative in unleashing our I&T potentials and developing Hong Kong into an international I&T hub.

On this note, may I close by thanking everybody for coming to this very important conference, as well as China Daily and the Silk Road Economic Development Research Center, and all the distinguished speakers and VIPs coming to Hong Kong.

Thank you.



[Fatal traffic accident in Tai Po](#)

Police are investigating a fatal traffic accident in Tai Po yesterday (October 28) in which a 55-year-old foreign woman died.

At about 11pm last night, a private car driven by a 38-year-old man was travelling along Ting Kok Road towards Tai Mei Tuk. When approaching Shuen Wan Lei Uk, it reportedly knocked down the 55-year-old woman who was crossing the road.

Sustaining multiple injuries, the woman was rushed to Prince of Wales Hospital in unconscious state and was certified dead at 6.56am today (October 29).

Investigation by the Special Investigation Team of Traffic, New Territories North is underway.

Anyone who witnessed the accident or has any information to offer is urged to contact the investigating officers at 3661 3818 or 3661 3819.

[Suspicious mobile applications related to Bank of Singapore Limited](#)

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) wishes to alert members of the public to a press release issued by Bank of Singapore Limited on suspicious mobile applications (apps), which has been reported to the HKMA. Hyperlink to the press release is available on [the HKMA website](#) for ease of reference by

members of the public.

Anyone who has provided his or her personal information to the apps concerned or has conducted any financial transactions through the apps should contact the bank concerned using the contact information provided in the press release, and report to the Police or contact the Cyber Security and Technology Crime Bureau of the Hong Kong Police Force at 2860 5012.

[Update on cases of Legionnaires' disease](#)

The Centre for Health Protection (CHP) of the Department of Health today (October 29) reported the latest number of cases of Legionnaires' disease (LD), and stressed the importance of using and maintaining properly designed man-made water systems, and that susceptible groups should strictly observe relevant precautions.

From October 21 to 27, three community-acquired LD cases were reported. They are:

1. A male patient, aged 40 with underlying illnesses, who lives in Shin Lun House, Fu Shin Estate, Tai Po;
2. A male patient, aged 70 with good past health, who lives in Ancillary Facilities Block, Tsz Ching Estate, Tsz Wan Shan; and
3. A male patient, aged 65 with underlying illnesses, who lives in Sui Lok House, Siu Sai Wan Estate, Eastern District.

"Epidemiological investigations are ongoing to identify potential sources of infection, high-risk exposure and clusters, if any," a spokesman for the CHP said.

As of October 27, 88 LD cases had been reported in 2018. In 2017 and 2016, there were 72 and 75 cases respectively.

"Men, people aged over 50, smokers, alcoholics and persons with weakened immunity are more susceptible to LD. Some situations may also increase the risk of infection, including poor maintenance of water systems leading to stagnant water; living in areas with old water systems, cooling towers or fountains; using electric water heaters, whirlpools and spas or hot water spring spas; and recent stays in hotels or vessels," the spokesman said.

Legionellae are found in various environmental settings and grow well in warm water (20 to 45 degrees Celsius). They can be found in aqueous environments such as water tanks, hot and cold water systems, cooling towers, whirlpools and spas, water fountains and home apparatus which support

breathing. People may get infected when they breathe in contaminated droplets (aerosols) and mist generated by artificial water systems, or when handling garden soil, compost and potting mixes.

Immunocompromised persons should:

1. Use sterile or boiled water for drinking, tooth brushing and mouth rinsing;
2. Avoid using humidifiers, or other mist- or aerosol-generating devices. A shower may also generate small aerosols; and
3. If using humidifiers, or other mist- or aerosol-generating devices, fill the water tank with only sterile or cooled freshly boiled water, and not water directly from the tap. Also, clean and maintain humidifiers/devices regularly according to manufacturers' instructions. Never leave stagnant water in a humidifier/device. Empty the water tank, wipe all surfaces dry, and change the water daily.

The public should observe the health advice below:

- Observe personal hygiene;
- Do not smoke and avoid alcohol consumption;
- Strainers in water taps and shower heads should be inspected, cleaned, descaled and disinfected regularly or at a frequency recommended by the manufacturer;
- If a fresh water plumbing system is properly maintained, it is not necessary to install domestic water filters. Use of water filters is not encouraged as clogging occurs easily, which can promote growth of micro-organisms. In case water filters are used, the pore size should be 0.2 micrometres (μm) and the filter needs to be changed periodically according to the manufacturer's recommendations;
- Drain and clean water tanks of buildings at least quarterly;
- Drain or purge for at least one minute the infrequently used water outlets (e.g. water taps, shower heads and hot water outlets) and stagnant points of the pipework weekly or before use;
- Seek and follow doctors' professional advice regarding the use and maintenance of home respiratory devices and use only sterile (not distilled or tap water) to clean and fill the reservoir. Clean and maintain the device regularly according to the manufacturer's instructions. After cleaning/disinfection, rinse the device with sterile water, cooled freshly boiled water or water filtered with 0.2 μm filters. Never leave stagnant water in the device. Empty the water tank, keep all surfaces dry, and change the water daily; and
- When handling garden soil, compost and potting mixes:
 1. Wear gloves and a face mask;
 2. Water gardens and compost gently using low pressure;
 3. Open composted potting mixes slowly and make sure the opening is directed away from the face;
 4. Wet the soil to reduce dust when potting plants; and
 5. Avoid working in poorly ventilated places such as enclosed

greenhouses.

The public may visit the CHP's [LD page](#), the [Code of Practice for Prevention of LD](#) and the [Housekeeping Guidelines for Cold and Hot Water Systems for Building Management](#) of the Prevention of LD Committee, and the CHP's [risk-based strategy](#) for prevention and control of LD.