

Opening remarks by STL at seminar event at SMM Hamburg 2024 – “Scene-setting – Overview of Hong Kong’s Current Position, Challenges and Opportunities as an International Maritime Centre” (English only) (with photo)

Following are the opening remarks by the Secretary for Transport and Logistics, Mr Lam Sai-hung, at a seminar event at the Shipbuilding, Machinery and Marine Technology (SMM) trade fair 2024 in Hamburg– "Scene-setting – Overview of Hong Kong's Current Position, Challenges and Opportunities as an International Maritime Centre" today (September 3, Hamburg time):

Ladies and gentlemen, distinguished guests,

It gives me great pleasure to speak to you today at SMM, one of the world's largest and most prestigious maritime trade fairs. We treasure the opportunity to showcase Hong Kong's maritime aspirations in such a prominent setting. I also wish to extend our warmest greetings from Hong Kong.

Many of you have come to this session probably out of your interest in how Hong Kong is doing for various reasons. Indeed, in recent years, the global community has been closely observing our city, particularly in light of significant political events. Questions arise about whether Hong Kong remains the free, open and international metropolis it has always been. Some commentaries even suggest that Hong Kong, including its status as an international maritime centre, is fading into the background, and that its golden era is over.

My delegation and I are here to present a true and honest picture of Hong Kong. With over 150 years of maritime heritage, vigorous international connectivity and our multi-faceted maritime excellence, we have proudly served as a maritime hub of Asia. As we stand at this pivotal moment in history, we recognise that the Hong Kong maritime sector confronts substantial challenges, but at the same time there are also immense opportunities for both ourselves and the global arena.

Let us take a moment to reflect on the undeniable strengths of Hong Kong as an international maritime centre. Our strategic geographical location at the heart of Asia, right at the doorstep of Mainland China – that is the world's second largest economy – coupled with our excellent port facilities, positions us as a vital gateway for trade and commerce, where East meets

West. As we serve as a springboard into the China market, we benefit from the unique institutional advantages provided under the "One Country, Two Systems" framework of China, our motherland, bestowing us as the only bilingual common law jurisdiction of our nation, underpinned by a solid foundation of the rule of law supported by an independent judiciary, not to mention with the free flow of capital, people and information that Hong Kong has been enjoying for decades.

On the maritime front, efficiency and connectivity are the two keywords for which we are renowned. We have a free port with efficient customs clearance and strong international connectivity, featuring over 300 container vessel sailings each week to nearly 500 destinations worldwide. Consistently ranked among the busiest ports globally, we handle over 14.4 million TEUs (twenty-foot equivalent units) in 2023. Additionally, as a world-class and service-oriented economy, Hong Kong boasts a vibrant maritime services cluster comprising more than 1 100 companies that provide shipping and maritime business services. These all contribute to our comprehensive maritime business capabilities, ranking us among the top four world's leading shipping centres, according to the 2024 Xinhua-Baltic International Shipping Centre Development Index Report.

Yet, we must also acknowledge the challenges that are we facing. Hong Kong as a free port is prone to external influence. The geopolitical environment is shifting and unstable at times, with new dynamics emerging that require us to adapt. Issues such as supply chain disruptions, increasing competition from other ports in the region including those in the Mainland China, change in trade pattern and the evolving demands of the shipping industry, are all factors that we must navigate. The global push towards sustainability presents both a challenge and an opportunity for us to innovate and lead in green shipping practices.

Adversity tests one's tenacity. The current landscape presents Hong Kong with challenges while it also entails opportunities. To keep up with evolving global maritime industry trends, our Government announced the Action Plan on Maritime and Port Development Strategy last December. It sets out 10 strategies and 32 action measures in enhancing port competitiveness, strengthening high value-added maritime services and enhancing promotion of Hong Kong maritime brand and grooming talent. To highlight a few of our action items:

(a) number one, we will holistically attract cargoes from around the world to make use of Hong Kong Port from the three aspects of "vessels", "cargoes" and "destinations";

(b) number two, we will spare no effort in developing Hong Kong Port as a green and smart port, with another action plan to be published later this year on development of green fuel bunkering centre;

(c) number three, we will continue to promote the expansion of the maritime professional services and business sectors, like marine legal, insurance, ship leasing and commodity trading, by exploring further tax

concessions;

(d) last but not the least, we will enhance collaboration with the international community as well as cities in Mainland China, to consolidate our role as a "super-connector" to the world and the gateway to Mainland China.

Franklin D Roosevelt once said, "A smooth sea never made a skilled sailor". While challenges are abound, Hong Kong has ridden the wave of adversity time and again, emerging stronger and more resilient. Our strengths remain robust, and our commitment to maritime excellence is unwavering. We are eager to step up our ties with the international community to create mutual benefits and capitalise on our strengths to navigate the complexities of the changing landscape, seizing the opportunities that lie ahead.

I come to the SMM with a delegation comprising practitioners from different disciplines such as shipping liner, terminal operator, lawyer and ship leasing etc. May I invite some of them to share with you the first-hand experience on what it is like to do business in Hong Kong now.

Thank you, and I look forward to the fruitful discussions later today.

