

Speech by CE at 2018 Hong Kong Awards for Industries Awards Presentation Ceremony (English only) (with photos/video)

Following is the speech by the Chief Executive, Mrs Carrie Lam, at the 2018 Hong Kong Awards for Industries Awards Presentation Ceremony today (December 11):

Award winners, distinguished guests, ladies and gentlemen,

Good afternoon. It is a pleasure to join you today here at Science Park to honour excellence in our industries, to celebrate the innovators who lead our industries and, in so doing, help power Hong Kong's continuing prosperity.

I am a supporter of the Awards, having attended the awards presentation ceremony last year and in 2013. And, I must say, you never fail to impress me with your smart and creative developments.

As you're well aware by now, I have a strong passion for design and in this term of the HKSAR Government we encourage innovation and promote the application of design thinking in our work. I am therefore pleased that the Trade and Industry Department, the Secretariat of the Hong Kong Awards for Industries, has invited the Hong Kong Design Institute as the Awards' Design Partner this year. The Institute's students created the compelling backdrop for this ceremony. The backdrop's outline represents Lion Rock, a proud symbol of Hong Kong and the "can-do spirit" that the Institute's students, as well as this year's winners and finalists, clearly possess.

Given the recent rise of protectionism and the continuing trade issues between China and the United States, we certainly need all the resilience, adaptability and "Lion Rock spirit" we can mobilise. While we are encouraged by the positive outcomes of the meeting between President Xi Jinping and President Donald Trump in Argentina recently, there is no room for comfort and certainty yet. The Secretary for Commerce and Economic Development will continue to liaise with our major trade and industrial associations, and, rest assured, my Government will respond in a timely manner.

Indeed, the Trade and Industry Department moved up the launch of the ASEAN Programme under the Dedicated Fund on Branding, Upgrading and Domestic Sales, commonly known as the BUD Fund, to August to provide funding support. Up to HK\$1 million will be provided on a matching basis to individual non-listed Hong Kong companies to undertake projects that enhance their competitiveness and further their business development in the ASEAN market. The Mainland Programme under the BUD Fund has also doubled its maximum grant

per company to HK\$1 million, as has the SME Export Marketing Fund to HK\$400,000 per company, both on a matching basis.

In addition, the Hong Kong Export Credit Insurance Corporation has launched special measures to strengthen protection for Hong Kong exporters affected by US tariffs. We have also expanded the special concessionary measures under the Hong Kong Mortgage Corporation Insurance's SME Financing Guarantee Scheme. It includes reducing the existing annual guarantee fee rates by 50 per cent, increasing the maximum loan amount to HK\$15 million and lengthening the maximum loan guarantee period from five to seven years.

Those initiatives will surely help in the short-term. But looking further ahead, Hong Kong's future will be powered by innovation and technology (I&T) and the high value-added economy it will give us.

My Government is committed to innovation and technology (I&T). That's why we are investing HK\$10 billion to establish two research clusters at Science Park, one on healthcare technology, the other on AI (artificial intelligence) and robotics. It's also why we're setting up a HK\$2 billion "Re-industrialisation Funding Scheme." It will subsidise Hong Kong manufacturers, again on a matching basis, to set up smart production lines.

And the tax incentive proposal raised last year for R&D became a reality in October. It means that the first HK\$2 million in eligible R&D expenditure will enjoy a 300 per cent tax deduction, with the remainder at 200 per cent.

To host today's ceremony here at Science Park reflects our commitment to I&T development. I am delighted to see the expanded application of I&T among this year's Grand Award Winners, including robotics and the Internet of Things, 3D display, wireless consumer technology, industrial upgrading and app-driven customer service. I am also delighted to note the increasingly active participation of technology-related enterprises in these Awards. I for sure hope this trend will continue in the future.

My congratulations once again to the winners of the 2018 Hong Kong Awards for Industries. And my thanks to the Organising Committee, the seven organisers and the judging panels for their continuing support of the Awards, the only Government-supported awards promoting excellence in Hong Kong's manufacturing and service industries.

I wish you all a happy holiday season and an innovative and rewarding New Year. Thank you very much.

