

Speech by CE at Trade, Tourism and Investment Seminar and Business Forum of Indonesia (English only) (with photos/video)

Following is the speech by the Chief Executive, Mr John Lee, at Trade, Tourism and Investment Seminar and Business Forum of Indonesia today (November 1):

Your Excellency Ambassador Djauhari Oratmangun (Ambassador of Indonesia to China), Consul-General Yul Edison (Consul-General of Indonesia to Hong Kong), Mr Juli Budi Winantya (Special Advisor to the Governor of Bank Indonesia), Commissioner Cui Jianchun (Commissioner of the Ministry of Foreign Affairs in the Hong Kong Special Administrative Region), distinguished guests, ladies and gentlemen,

Good morning. It gives me great pleasure to join you, today, at the Indonesian Business Forum and Seminar, which opens Indonesia Week Hong Kong 2024.

This weekend, Indonesia Week is bringing to Hong Kong the performing arts, fashion, food, music and more, all under the theme of "A Bridge to Indonesia".

The bridge between Hong Kong and Indonesia has long been open, welcoming and mutually rewarding, whether in the arts and culture, or business and investment.

I know many in Hong Kong look forward to this weekend, to enjoying all the cultural diversity, creativity and fabulous food that Indonesia is renowned for. And what better place to promote Indonesian culture, in all its magnificent manifestations, than Hong Kong – the East-meets-West centre for international cultural exchange.

Today, however, we're going to focus on business. Business matching, too.

I announced my third Policy Address two weeks ago, where I unveiled a series of reform measures to enhance economic development and build a better future for Hong Kong.

I am pleased to say that expanding relations with Indonesia, and the countries of Southeast Asia, is a priority of the Hong Kong SAR (Special Administrative Region) Government. Initiatives that benefit our Indonesian communities, and those of the other nine countries of ASEAN (Association of Southeast Asian Nations), continue to highlight our agenda, as my Policy

Address made clear.

Under the Dedicated Fund on Branding, Upgrading and Domestic Sales, or the BUD Fund, the geographical coverage of E-commerce Easy will be expanded to ASEAN. That means our SMEs (small and medium-sized enterprises) can better implement their e-commerce projects in this bustling area of growth. And we will launch the Hong Kong Shopping Festival to help companies tap into the ASEAN market.

In addition, the "northbound", multiple-entry visas to the Mainland for the foreign staff of Hong Kong-registered companies have been extended to five years. We're making it easier to visit the Mainland, for business and for pleasure.

The new visa follows the introduction, in July, of the Mainland travel permits for non-Chinese permanent residents in Hong Kong. As many of you will be aware, this new travel permit enables fast, and efficient, transit for non-Chinese citizens visiting the Mainland for business and tourism purposes, whatever their nationality, resident status or occupation.

And we will provide self-service immigration clearance at all Hong Kong checkpoints, specifically for ASEAN travellers invited to participate in business, development and related activities.

Speaking of the "bridge to Indonesia", I am delighted to add that, since August, HKSAR passport holders can visit Indonesia visa-free. That makes Hong Kong one of the only four places outside ASEAN member states to be granted visa exemption to the beautiful country.

Our tourism industry, and the people of Hong Kong, welcome the entry convenience, another clear illustration of the close ties we enjoy with Indonesia.

I am determined to bring us closer together in education as well. In my Policy Address, I introduced a "Study in Hong Kong" initiative as part of my commitment to developing Hong Kong into an international hub for post-secondary education.

Measures include offering additional scholarship opportunities for ASEAN students to study in Hong Kong. And I welcome more Indonesian students to join us, to "Study in Hong Kong" and make Hong Kong their second home.

Indonesia, of course, is ASEAN's largest economy, boasting its largest population, land area and GDP (Gross Domestic Product), too. Hong Kong's merchandise trade with Indonesia increased by over 5 per cent, year on year. In 2022, services trade between the two places rose by nearly 15 per cent.

Given its thriving economy, abundant land supply and energetic young workforce, Indonesia is truly the land of opportunities. It's why, in July 2023, I visited Indonesia, leading a high-powered Hong Kong business delegation.

That visit saw the signing of 15 MOUs covering trade and commerce, finance, logistics and other areas.

Our Secretary for Commerce and Economic Development Algernon Yau followed up, in August last year, co-chairing the 7th ASEAN Economic Ministers – Hong Kong, China Consultation, with Indonesia's Minister of Trade.

And, just a few months ago, the Legislative Council sent a business delegation to Indonesia.

Ladies and gentlemen, I welcome Indonesian companies from around the world to look to Hong Kong, as their rewarding way into the enormous Mainland market, particularly the Guangdong-Hong Kong-Macao Greater Bay Area.

Under the unique "one country, two systems" principle, Hong Kong enjoys unparalleled connectivity with both the Mainland and the world. We have a long tradition of the rule of law and a common law system, which dovetails with the system practised in many global financial centres. Our simple and low tax regime means businesses can take home much larger shares of the money they make here. Together with our multi-lingual, and multi-talented, local workforce, as well as the talent we ceaselessly attract from around the world, Hong Kong provides an ideal gateway for businesses to thrive.

The opportunities are far-reaching, and in so many areas, from I&T (innovation and technology) and green finance to healthcare, manufacturing and more. And Hong Kong's strengths as an international financial, shipping and trading centre, make it easy for Indonesian companies to expand their business into the Greater Bay Area.

In finance, I'm pleased to note the welcome co-operation, this past year, between our two major stock exchanges. That's thanks to the signing, in July 2023, of an MOU between the Indonesia Stock Exchange and Hong Kong Exchanges and Clearing Limited (HKEX). A year ago this month, HKEX added the Indonesia Exchange as a recognised stock exchange, allowing companies listed on the bourse to pursue a secondary listing in Hong Kong.

Listing in Hong Kong offers Indonesian companies the opportunity to expand their market presence, their investor base and their liquidity. More than half of Southeast Asian companies listing overseas have chosen HKEX.

There may be mutual opportunity, as well, in green development. Two years ago, HKEX established Core Climate, the only international carbon market to offer both Hong Kong dollars and Renminbi settlement in the trading of voluntary carbon credits. Less than a year later, Indonesia launched its first carbon emission trading. Both are keen to fund efforts that reduce greenhouse gas emissions. Both are eager to make a decided difference in the global carbon trade.

I look forward, too, to Hong Kong's early accession to the RCEP, the

Regional Comprehensive Economic Partnership which his Excellency Ambassador has highlighted its significance. I'm confident that it's one of the best means of expanding and enriching business and investment opportunities between our two economies – and economies throughout the region.

Hong Kong is well-placed to add value to the RCEP, given our role as the "super connector" and "super value-adder" between the Mainland and a world of business.

I am encouraged by the responses from many RCEP members, Indonesia in particular, since our formal accession request, in January 2022. I sincerely thank the Indonesian Government for their very precious support.

During my visits to Indonesia and other ASEAN countries, last year and this year, I reiterated Hong Kong's keen interest in joining RCEP, and expressed my gratitude for their support.

And I am pleased to note the RCEP Joint Committee's adoption, this September, of accession procedures. This is a milestone for the RCEP and its determination to be open and inclusive.

As a champion of free and multi-lateral trade, Hong Kong is fully prepared to join the RCEP and, in doing so, boost our bilateral trade relations, benefitting companies and investors in both Indonesia and Hong Kong.

I continue to count on Indonesia and business leaders like your good selves – people who know Indonesia and Hong Kong well, who appreciate the value that Hong Kong can add to the RCEP, to speak up in support of our accession bid.

My thanks to the organisers, the Consulate-General of the Republic of Indonesia in Hong Kong; the Alumni Association of the University of Indonesia, Hong Kong Chapter; Indonesia Incorporated; and the Hong Kong Indonesian Student Association, for giving me this welcome opportunity to speak to you today.

Ladies and gentlemen, I wish you a rewarding seminar, a weekend brimming with Indonesian culture, food and fun, and the best of business and health in the year to come.

Thank you.

