

Speech by CS at Belgium's King's Day Reception (English only)

Following is the speech by the Chief Secretary for Administration, Mr Matthew Cheung Kin-chung, at Belgium's King's Day Reception this evening (November 16):

Consul-General (Consul-General of Belgium to Hong Kong, Ms Michèle Deneffe), ladies and gentlemen,

Good evening. It is my honour to join you all here to celebrate the Kingdom of Belgium's King's Day and His Majesty King Philippe, now into the sixth year of his reign.

We are also here to celebrate the strong and longstanding ties between Hong Kong and Belgium. That is evident and reinforced by the recent visits of our Chief Executive and the Secretary for Commerce and Economic Development to Brussels, the Belgian capital and seat of the European Union.

Hong Kong and Belgium are close business and trading partners. Hong Kong is home to nearly 70 Belgian companies, from banking and asset management to manufacturing and logistics.

As the Consul-General noted, we are pleased to learn that Belgian environmental technology company Keppel Seghers has won an over \$31 billion contract in co-operation with a Hong Kong firm to design, build and operate our first integrated waste management facility.

I invite more Belgian companies consider to join us in Hong Kong for many good reasons. In the coming years, our Motherland's Belt and Road Initiative and the Guangdong-Hong Kong-Macao Greater Bay Area will create enormous opportunities for Hong Kong as well as the international companies that partner with Hong Kong. This is certainly true in financial and other professional services, in which Hong Kong is a recognised global leader. Innovation and technology will also offer unprecedented prospects, particularly in the Greater Bay Area.

Indeed, this year's Global Innovation Index 2018 that was published by the World Intellectual Property Organization has ranked Shenzhen-Hong Kong second among science and technology clusters worldwide, behind only Tokyo-Yokohama. Hong Kong and Shenzhen are now building the Hong Kong-Shenzhen Innovation and Technology Park at the Lok Ma Chau Loop near the border between the two places to add further impetus to this regional innovation and technology development and co-operation within the Greater Bay Area.

The Hong Kong Special Administrative Region Government is committed to promoting Hong Kong as a regional information and technology hub, investing heavily in research and development (R&D) and promoting re-industrialisation. The opportunities are here for Belgium's information and technology

companies, as Keppel Seghers has demonstrated. To encourage the private sector to invest in R&D, the Government has introduced a super tax deduction which provides companies that are based in Hong Kong a tax deduction of up to 300 per cent for qualifying R&D expenditure.

Hong Kong's tax system, of course, is invitingly low and simple, part of what makes Hong Kong one of the world's most desirable business addresses. Indeed, just last month, the World Bank's "Doing Business 2019 Report" ranked Hong Kong fourth globally in the ease of doing business.

Business aside, Hong Kong and Belgium are establishing closer co-operation in arts and culture. Belgian films have been screened here in Hong Kong on a number of occasions this year, and the Hong Kong Arts Centre participated in the Theatre of Liège's International Meeting in Performing Arts and Creative Technologies last month.

I understand that the Consul-General has a background steeped in arts and culture, and I look forward to her thoughts on expanding our creative co-operation in the months and years ahead.

On this happy note, please join me now in a toast to His Majesty King Philippe and the people of Belgium.