

Speech by SCED at APEC Business Advisory Council Public-Private Dialogue (English only) (with photo)

Following is a speech by the Secretary for Commerce and Economic Development, Mr Edward Yau, at the virtual meeting of the Asia-Pacific Economic Cooperation (APEC) Business Advisory Council (ABAC) Public-Private Dialogue today (May 3):

Minister Ong (Minister for Transport of the Republic of Singapore, Mr Ong Ye Kung), Nick (Hong Kong, China's Representative to APEC ABAC, Mr Nicholas Ho), friends of APEC and ABAC,

Great to "see" you all, albeit on screen.

I am sure all of you would share with me that the most common and desperate desire or resolution, at the start of 2021, must be the earnest wish for the expeditious resumption of travel free of the threat of COVID-19. There are simply too many family members and friends, not to mention business partners whom we have not seen face to face for long.

Across the world, the travel industry is a key contributor to jobs, businesses and economic development. The more-than-a-year of suspension of cross-border travel worldwide under COVID is not just about grounded flights and decimated tourism. It also has far-reaching impact on the global and national economies. According to the UN World Tourism Organization, international arrivals dropped by 73 per cent in 2020 globally, and by 84 per cent in Asia Pacific. The huge decline has led to a loss of 1.3 trillion US dollars in total export revenues from international tourism, putting 120 million tourism jobs at risk.

So idling is not an option, but in the processing of achieving reopening of boundaries, we must also respect science, particularly medical science and public health. That's why we have to work very closely with our own public health authorities as well as our counterparts in other jurisdictions. We must plan for the best and prepare for the worst. Taking the example of the Air Travel Bubble between Hong Kong and Singapore, we shouldn't be discouraged by some of the hiccups, but rather we should learn from every step with all the experiences as we move forward.

For international business hubs such as Hong Kong and Singapore, the impact of global border controls are particularly acute. Today's dialogue co-hosted by the ABAC of Hong Kong and Singapore has come timely for policymakers and business leaders to share insights on the road to recovery for both tourism and the economy as we battle our way out of COVID.

From day one, the fight against COVID has been a twin battle – unless the epidemic is contained, economic recovery would continue to be a losing

battle.

To win these battles involves difficult choices, balancing between public health risks and business survival for hard-hit sectors like tourism, retail and catering. This is particularly so when the fourth wave of COVID hit Hong Kong last November. Sparing no time, we immediately tightened up social distancing measures and lengthened the compulsory quarantine period for inbound travellers so as to keep the virus at bay. And, to many people's disappointment, we had to push back the launch plan of the long-awaited Air Travel Bubble with Singapore at the eleventh hour. But our fight to resume bilateral travel has not stopped.

While the new wave of measures have brought much inconvenience to our citizens and dealt another heavy blow to our businesses, we have managed to contain the epidemic since February, with the daily local unlinked cases in recent weeks at very small number or even down to zero some of the days last week. The 7DMA (the seven day moving average) of unlinked cases yesterday is 0.1 case. This we cannot achieve without the collective efforts of the community.

Hong Kong's stabilised epidemic situation gives us the confidence and indeed the condition to re-open local businesses progressively. And to add to the re-opening league, I and Minister Ong announced just last week the re-launch of the Air Travel Bubble with Singapore.

Singapore is one of our important visitor source markets as well as close economic and trade partners. This Bubble is definitely an important milestone of border reopening, enabling a genuine return to pre-COVID cross-border travel – no restrictions on travel purposes, no compulsory quarantine, no restrictions on itineraries – so long as travellers comply with a set of stringent health protocols.

We are now all set for the Bubble's inaugural flights in three weeks' time on May 26, 2021, but we will of course continue to keep close watch on the situation; and there are mechanisms in place to cater for exceptional circumstances. These include double tests before departure and upon arrival, dedicated flights, added safeguards on suspension and resumption criteria, just to name a few. I would like to take this opportunity to thank Minister Ong and his team together with colleagues in my Tourism Commission for working tirelessly over the past months to bring this endeavour into fruition.

The Hong Kong-Singapore Air Travel Bubble is not just a crucial step to border reopening for the two places, but also an important leap for international safe, and quarantine-free travel resumption. I look forward to expanding this bubble arrangement with our trading partners with similar success in containing COVID in the months ahead.

Apart from Singapore, we are also engaging other potential travel bubble partners overseas, and at the same time working towards gradual resumption of quarantine-free travel with the Mainland.

Just as the coronavirus cunningly evolves and mutates, our strategy for epidemic control must also evolve alongside in order that we could stay on top of the pandemic. As our Chief Executive announced recently, the Hong Kong strategy has been refined to attain 4Rs, i.e.:

- Return to normality
- Refrain from "stop and go"
- Reinforce infection control measures in a targeted manner
- Reiterate the need for concerted community efforts

Adopting the concept of "vaccine bubbles" as the basis, social distancing measures can be further relaxed and more business activities can resume, as long as staff and patrons alike are vaccinated, with public health safeguards remaining intact. It is in this spirit that we are also asking Hong Kong residents to get fully vaccinated before boarding a designated flight of the Air Travel Bubble – in order to better protect themselves.

As far as vaccination goes, Hong Kong has secured a vaccine supply twice the size of the population. Every resident can be sure to get two doses of vaccination for free, and can have a choice over which vaccine to take. The vaccine is available to anyone aged 16 or above. Since the roll-out of the vaccination programme in late February, nearly 1.5 million doses of vaccine have been administered, meaning 14.5 per cent of the eligible population already has had their first jab. We will keep up the effort to encourage more residents to get vaccinated.

On the multilateral front, there are a number of initiatives to create digital health passes on testing and vaccination records to facilitate international travel, for example, CommonPass, IATA (the International Air Transport Association) Travel Pass, AOKpass and the health code of Mainland China. They are at different stages of readiness for application. At our end, we are working to ensure that travellers can use them to come to Hong Kong, and Hong Kong will be able to serve them as an international hub. Already in Hong Kong, our residents can keep an electronic record of their COVID test results and vaccine jabs on our own digital platform, the "iAM Smart" mobile app. We will see how this app can eventually integrate with various digital health passes.

I truly believe that we will all emerge from the pandemic stronger and more united. COVID has certainly dealt a heavy blow on economies – on the travel trade, tourism and hospitality sectors, on business in general, and on governments. But there is a silver lining – where there is hope, there are new opportunities. Indeed, each of us is searching for ways to take our enterprises and organisations to the next level, to pursue digitalisation, to adopt more innovative operations and to achieve more sustainable growth. These are common values that the APEC family treasures. We remain confident that we can count on the collective wisdom of the ABAC community to bring about a smarter, healthier and safer environment as we walk out of the pandemic.

Thank you.

