

# Speech by STL at networking lunch in Hamburg (English only) (with photo)

Following is the speech by the Secretary for Transport and Logistics, Mr Lam Sai-hung, at a networking lunch in Hamburg, Germany, today (September 4, Hamburg time):

Distinguished guests, friends, ladies and gentlemen,

Guten Tag ("Good day" in German). Good afternoon. It is my great pleasure to join you all here today in this vibrant city of Hamburg, the heart of Germany's thriving maritime industry. May I extend my heartfelt thanks to every one of you for joining us in this room. Your participation is invaluable in the development of port and maritime industry as we can explore potential collaboration opportunities between the Hong Kong and Hamburg communities.

Co-operation between Hong Kong and Germany

Hong Kong and Germany have long enjoyed a close and multifaceted relationship, rooted in our shared commitment to free trade, innovation, as well as green and sustainable development. You are our largest trading partner of the EU (European Union) and ranked 13th among Hong Kong's trading partners in the world. Bilateral trade amounted to 13.2 billion euros last year. In the realm of maritime cargo throughput, the throughput tonnage between Hong Kong and Germany indeed amounted to 420 000 tonnes last year, taking up a significant portion of Hong Kong's overall ocean cargo throughput, most of which are your machinery, cars and manufactured goods.

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Beyond trade and port throughput, I am also glad to learn that our port and maritime communities have indeed maintained strong ties in various areas, from shipping operation to high value-added maritime services. This robust network of economic and people-to-people connections is the cornerstone for our further collaboration in the maritime domain.

Global trends and challenges

The world is undergoing profound changes unseen in a century. While the global economy appears to be on a "soft landing" path this year – meaning that a global recession has most fortunately been avoided – the geopolitical tensions in Ukraine, the Middle East, Red Sea, among other regional conflicts, brought disruptions to the global order. Coupled with accelerating technological change, post-COVID transformations and inflationary pressures, policymakers around the world are required to navigate through this troubled waters with caution. Multinational companies have been seeking risk diversification strategies, leading to the emergence of new trade patterns

and supply chains. International trade is getting ever more intricate, necessitating greater professional support from various industries.

## What Hong Kong can offer

Against this backdrop, let me delve into what Hong Kong can offer and why people should consider coming to our city for their business to flourish.

Hong Kong maintains our world renowned competitive tax system that is simple with low rates. We continue to uphold the rule of law, a level-playing field, and an open business environment. Our Government is not only a "regulator", but we also take on the roles of "facilitator" as well as "promoter" for businesses. For people coming to live, work and invest in Hong Kong, we offer them a multicultural talent pool, world class infrastructure, as well as a vibrant city that is dynamic and enjoyable. Hong Kong has much to offer to the world.

## Port

Hong Kong is proud to be an international maritime centre and a transshipment hub port in the region. Our port is one of the busiest in the world. It provides frequent and comprehensive liner shipping services connecting to close to 500 destinations worldwide, with over 300 international container vessel sailings in a week. We are also home to the fourth largest shipping registry in the world.

## Maritime services

With a vibrant maritime cluster comprising over 1 100 port and maritime-related companies, Hong Kong provides a great variety of quality maritime services, including ship owning, ship agency and management, ship broking, marine insurance, maritime legal and arbitration services, marine surveying and classification societies. I am proud to tell you that in the 2024 Xinhua-Baltic International Shipping Centre Development Index Report just released, Hong Kong continues to rank the fourth based on a comprehensive evaluation of port factors, professional business services and the general environment.

## Strengths and challenges

I believe what truly sets Hong Kong apart is our unique position as a gateway between Mainland China and the rest of the world. In the past decade, there has been an obvious shift of international trade from the West to the East, and to Mainland China in particular. In light of this, Hong Kong could serve as a natural springboard for overseas companies to tap into the vast market in Mainland China. This strategic geographical advantage, along with our world-class port logistics, bilingual common law system, our international setting and excellent professional services, makes Hong Kong port a comprehensive one-stop solution for worldwide business.

## Government efforts

To support our maritime industry against economic headwinds and stay resilient in the future, our Government promulgated the Action Plan on Maritime and Port Development Strategy last December, which sets out 10 strategies and 32 action measures aiming at enhancing port competitiveness, strengthening high value-added maritime services and enhancing promotion of the Hong Kong maritime brand and grooming talent.

We have been pushing forward the action measures under the Action Plan. To highlight a few examples, we are striving to position Hong Kong as a high-quality green fuel bunkering centre to attract more ships to call Hong Kong Port. Another action plan will be released later this year to demonstrate our resolution to this goal. Besides going green, going smart is also prioritised in our game plan. We always facilitate smart port development and promote data interconnection and sharing to improve operational efficiency. Furthermore, we have introduced a series of tax concession measures for ship leasing, marine insurance, ship agency, ship management, shipbroking and so forth, ensuring our tax regime remains competitive to our global counterparts.

#### Hong Kong Maritime Week 2024

I hope I have given you a glimpse of what Hong Kong has to offer. As the English saying goes, "seeing is believing", and now we have a golden opportunity for you to witness our vibrant maritime community first-hand. Our annual flagship maritime event, the Hong Kong Maritime Week 2024, will be held from November 17 to 23 this year. Like the Shipbuilding, Machinery and Marine Technology (SMM) trade fair in Hamburg, the Hong Kong Maritime Week is also highly recognised in the trade, featuring numerous activities targeting international industry players, including conferences, seminars, visits, competitions and so on. I feel very welcomed and find my SMM experience a very fruitful one, and I would like to share our hospitality in return, and warmly welcome the German maritime community to join the Hong Kong Maritime Week, where we will have the chance to meet the top leaders of the maritime industry from all around the world.

#### Concluding remark

To conclude my remark, I am truly excited about the immense potential for Hong Kong and Germany to deepen our maritime co-operation. By harnessing our complementary strengths, I am confident that we can forge new pathways of growth and innovation within the global maritime industry.

I, together with delegates from the Hong Kong Maritime and Port Board, look forward to engaging in fruitful discussions with all of you today and exploring concrete areas of collaboration. Together, let us chart a course towards a better, more connected, and prosperous maritime future. Vielen Dank ("Many thanks" in German). Guten Appetit ("Enjoy your meal" in German).

Thank you.

