

Marine Department announcement

Attention duty announcers, radio and TV stations:

Please broadcast the following message as soon as possible and repeat it at suitable intervals:

As Tropical Cyclone Warning Signal No. 1 has been issued, the Marine Department reminds vessel owners, masters and persons-in-charge of vessels that they should take precautionary measures immediately and properly secure their vessels at safe locations.

In case of an accident, a report should be made immediately to the Vessel Traffic Centre at 2233 7801.

Speech by CE at 28th Asian Youth Orchestra Summer Festival and Rehearsal Camp opening ceremony (English only) (with photos/video)

Following is the speech by the Chief Executive, Mrs Carrie Lam, at the 28th Asian Youth Orchestra (AYO) Summer Festival and Rehearsal Camp opening ceremony at the Hong Kong Academy for Performing Arts this evening (July 16):

Jim (AYO Chairman, Mr James Thompson), Richard (Founder and Artistic Director, as well as a conductor of the AYO, Mr Richard Pontzius), Ambassador Matsuda (Consul-General of Japan in Hong Kong, Mr Kuninori Matsuda), Consul-General Morales (Consul-General of the Philippines in Hong Kong, Mr Antonio Morales), Rupert (Chief Executive Officer of Cathay Pacific, Mr Rupert Hogg), James (A conductor of AYO, Mr James Judd), distinguished guests, board members of AYO and participants in this year's AYO,

It really gives me great pleasure to come again to officiate at the opening of the AYO Rehearsal Camp. Keith Lau (General Manager of AYO) has thanked me and Jim also thanked me for my long-time support for AYO, but my support for AYO did not date back to 28 years ago. I'm still pretty young. But I have been in this position, coming here to open the Rehearsal Camp, since 2013, so this is indeed my sixth attendance at the AYO Rehearsal Camp. But this is also a first time. I'm coming here the first time as the Honorary Patron of AYO – not the first time as the Chief Executive because I was already here last July in my position as the Chief Executive, but since then I received an invitation to take up the position of AYO's Honorary Patron and

I readily accepted. So this year is my first attendance as your Honorary Patron.

There are several reasons I want to come this year. One is really to thank AY0 for last year's world tour. Last year's world tour was part of the Hong Kong SAR Government's celebration of the 20th anniversary of the establishment of the Hong Kong Special Administrative Region. When I was still in the Government as the Chief Secretary for Administration, I thought what a wonderful occasion for us to showcase young musicians in the AY0 and also for us to demonstrate the powerfulness of friendship in the Asian region to the world, because Hong Kong is Asia's world city. This is a wonderful place to have this AY0 initiative. So last year, with our sponsorship and Cathay's sponsorship, AY0 was able to tour the world, going to places that have not been toured previously including wonderful places like Vienna and places which I don't understand why you go, that is Toulouse in France, which is very famous for aircraft. I didn't realise they have also a very nice concert hall that you could perform.

So I want to give you a brief summary of the evaluation report submitted to me about our collaboration with AY0 last year. These world tour performances have really made us very proud, because they were widely reported in the local newspapers wherever you travelled to and performed, and the average attendance in all these world tour concerts was 85 per cent. But actually, for many of the performances, the attendance was 100 per cent. It was a result of the arithmetic as there was one occasion that the attendance was 60 per cent. It's nothing to do with AY0 musicians – must be something to do with the venue. But otherwise I was so delighted to realise that it was 100 per cent in Beijing, it was 100 per cent in American cities and so on. It was very well attended with a very good response even at the very professional level. It's not only just because a bunch of young people coming they gave you a good response, but they gave you a very good professional appraisal of the very high standards of this youth orchestra.

And I also want to thank Keith because in the evaluation report there's always this financial section. The financial section said something like this: Thanks to the prudence of AY0 in managing expenditure, and in negotiating hard for lower fees, ultimately the government sponsorship for this AY0 tour was 20 per cent less than the budget. Unfortunately, the Government rules and regulation are such that one project is one project, so I can't sign off a cheque of several million dollars that I have saved to AY0. You have to apply again if you want another government sponsorship.

So much for the 2017 world tour of AY0, which I am extremely grateful, because after your tour Hong Kong will be perceived not only as a financial centre, but really as a city with very talented young musicians being brought together from different parts of Asia.

Now, coming back to this year's tour, it is also very unique because it's the first time that I read from the brochure that there's this Guangdong-Hong Kong-Macao Bay Area. This is now such a topical issue in Hong Kong – this is a bay area economy like the Tokyo Bay, San Francisco Bay, and the New York metropolitan area. AY0 really catches up with the government

work, so there is a tour to three Bay Area cities including Hong Kong, Zhongshan and Guangzhou. I want again to thank AY0 for giving this added value to the AY0's tour with the inclusion of some of the cities in the Bay Area.

There's also a further reason that I've come, which is to thank AY0 for supporting my first official visit to Japan in my capacity as the Chief Executive later this year. This is the biggest official visit of the Chief Executive in 2018. Although I've been to Europe in June, actually the destination with the biggest delegation for this year is Tokyo in Japan. Together with the Hong Kong Trade Development Council, we'll be organising a lot of "Think Global, Think Hong Kong" promotion activities, conferences, gala dinners and so on. I suddenly had this idea – because if you read the history of AY0 there is a very strong Hong Kong-Japan collaboration – if we could bring part of AY0 to Japan during my official visit that would be a wonderful thing.

Richard Pontzious has always been very forthcoming and supportive of the Government's initiatives so I can announce here that during our official visit to Tokyo later this year, and of course with the strong support of Ambassador Matsuda, AY0 will do two things for us. About eight AY0 musicians from Hong Kong will perform at the gala dinner attended by very important business people in Japan, and on top of that AY0 will do a concert in Japan, in Tokyo, bringing together around 30 alumni musicians who have been with AY0 previously. They are brought together and these Hong Kong musicians and Japanese musicians with very close bond and friendship will perform for us while we are doing our business promotion in Tokyo. That is a wonderful idea, resembling the spirit of AY0, and also tells this year's participants that if you do well, we'll bring you back as alumni for future performances.

With those remarks, I wish you a wonderful Rehearsal Camp and a very successful tour this year. Thank you very much.





Government's response to media enquiries

In response to media enquiries about the M+ project in the West Kowloon Cultural District, a Government spokesperson responded today (July 16) as follows:

The West Kowloon Cultural District Authority (WKCD) reports regularly the implementation progress of different development projects at the meetings of the Board of WKCD, including the M+ project constructed by the Hsin Chong Construction Company Limited (HCC). WKCD is a dedicated statutory body established under the WKCD Ordinance (Cap. 601). It is a body corporate with perpetual succession. The Board of WKCD is the governing and executive body of WKCD with authority to perform, in the name of WKCD, the functions conferred or imposed on WKCD by or under the WKCD Ordinance. WKCD is a legal entity with one legal personality, and its legal capacity is not affected by change in chairmanship and membership of the Board.

The WKCD has been aware of the difficult financial position facing HCC and its parent company, Hsin Chong Group since late 2016. To ensure the continuity of the construction of the M+ project, the WKCD has developed a positive risk mitigation plan. One of the measures has been an arrangement to pay key sub-contractors directly to ensure that they received payment for certified work done. The arrangement started in February 2017 with an aim to move the M+ project forward. It has also ensured stable employment and payment of wages for over 1 600 workers currently on the site and protected workers' labour rights and interests. The amount of money to be paid to key sub-contractors each month is deducted from the contract sum payable to HCC by the WKCD.

Please enquire the WKCD for details of eligible payments by the WKCD to M+ sub-contractors for certified work done.

[SCED speaks to media on impact of trade conflict between China and US on Hong Kong \(with photo\)](#)

Following is the transcript of remarks by the Secretary for Commerce and Economic Development, Mr Edward Yau, and the Chairman of the Federation of Hong Kong Industries, Mr Jimmy Kwok, at a media session on the impact of the trade conflict between China and the United States (US) on Hong Kong after a meeting attended by representatives of major chambers of commerce and associations of small and medium enterprises (SMEs) today (July 16):

Reporter: Where does Hong Kong stand in this war and how big the blow will this be to the city and what has formally been done to rectify the situation?

Secretary for Commerce and Economic Development: This is in fact the fourth time that I have convened a meeting of this kind, with all the major chambers including SMEs associations and semi-government bodies like Hong Kong Trade Development Council, Hong Kong Export Credit Insurance Corporation, to look at possible impact the trade war would have on Hong Kong. As we all know, the first list was introduced in early July which has imposed a 25-per cent tariff on quite a wide range of products, about 19 per cent of which come through Hong Kong (are being affected), so there is a direct impact on trade through Hong Kong. As the US is now threatening to impose an even longer and wider list of tariffs, we have to keep a very close watch to see if the impact would be far beyond the first one.

Feedback from chambers said that while there is no single company being hard hit at the moment, there are anxiety and concerns, particularly on the order situation in the latter half of the year because the sentiment has changed. And a 25-per cent or even a 10-per cent tariff is no small sum to the cost of business. Somehow this cost would have to be passed on either to the production side or to the consumer side. In any case, I think Hong Kong, as a major trading centre, will easily be hard hit at the forefront, so we need to be very vigilant on that.

Previous discussions have covered financing schemes for SMEs. It is already there, and we will trigger it if needed. Additional measures provided by the Hong Kong Export Credit Insurance Corporation have been put in place to facilitate exporters. We are also watching very closely to see if there is any need for doing more together with the trade.

Reporter: What will the SAR Government do to mitigate and minimise the damage?

Secretary for Commerce and Economic Development: There are two things. For

trade measures that are unfairly imposed on Hong Kong, like the tariff on steel (should be aluminium products) triggered by the US "Section 232 Investigation", that's a direct hit on Hong Kong, which we cannot swallow it, and therefore, we have taken measures directly with the US on bilateral and multilateral bases.

As for the "Section 301 Investigation", it is a US tariff imposed on Chinese products. But Hong Kong, as a trader and investor in the Mainland, is certainly feeling the heat. In that regard, I think the best tactic is to look at whether there is any hardship that needs to be relieved under the trade dispute, and that's why I mentioned about the SME Financing Guarantee Scheme or the additional measures to help people who take on export insurance.

One thing that we discussed today and in previous occasions, and was also briefly mentioned by the two chambers heads, is the constant urge for our investors to go to a wider market. That does not just happen now. For the past 12 months, we have been working very hard in exploring market opportunities arising from the Belt and Road, and essentially from the ASEAN (Association of Southeast Asian Nations) market, with which we have signed a free trade agreement. When it comes into implementation by January 1 next year, it would immediately bring down some of the tariffs imposed by ASEAN to us. That would offer a very timely attraction for industry and investment to take advantage of the ASEAN market. That's an ongoing exercise, the chambers agree with us and also urge the government to work even harder in looking into new markets.

Reporter: What's the worst case scenario and how possible is that going to happen?

Jimmy Kwok: For the time being, it is very difficult to have an accurate estimation because it is just about a week after the announcement of a 10-per cent tariff on over US\$2,000 billion (worth of Chinese products). However, we will continue to keep a close watch on how the trade war is going. Currently we know that, as the financial secretary (should be United States Secretary of the Treasury) has said, we would have another negotiation which might start in coming weeks.

(Please also refer to the Chinese portion of the transcript.)



[Territory-wide operation against drink driving and drug driving concludes](#)

Police conducted a territory-wide operation against impaired driving (drink driving and drug driving) during World Cup 2018 from June 14 to July 16.

During the operation, Police conducted 24 990 alcohol breath tests following which 107 drivers were arrested. Police also distributed 5 750 publicity leaflets carrying anti-drink driving and anti-drug driving messages.

Police appeal to motorists to be responsible and safe road users, and remind them not to drive after consuming alcohol or taking drugs. Convicted offenders will be liable to have their driving licenses suspended or sentenced to imprisonment.