<u>Transcript of remarks by CE at media</u> session before ExCo (with video)

Following is the transcript of remarks by the Chief Executive, Mr John Lee, at a media session before the Executive Council meeting today (January 16):

Reporter: A few questions. Just to follow up on the multi-entry permit scheme. You said you hope to have some sort of arrangements as soon as possible. Is there something we can look forward to before the Lunar New Year? I mean, does Hong Kong have the capacity to do this in terms of transportation and accommodation? Will this lead to parallel trading problems again? Second question is about the solid waste charging scheme. It's coming into effect from April. What steps are the Government taking to ensure that all walks of life in Hong Kong will be able to adapt to this? Are we on track to put this in place in April? Thank you.

Chief Executive: Hong Kong, after it has resumed normal travel with different parts of the world, is of a big interest, I think, to everybody (to come and visit). Particularly when we talk about our economic growth, tourism is always a big proportion of economic growth. In fact, the figures have indicated that they are showing very positive growth. But of course, there is a capacity constraint, as you have described, and we are, I think, effectively, and progressing well, in regaining that capacity. I think that happens to different cities as well. We are doing better in some areas, but we need to work harder in some other areas. In order to attract more tourists or visitors from the Mainland, there are various measures that we are considering, but all these measures need negotiation and discussion with the relevant departments on the Mainland. Of course, we want all these things to be decided as soon as possible, but equally, we will have to, in some way, take into consideration the views and the ideas of the relevant departments on the Mainland. But that is, I think, a positive common area that we have both shared in trying to have some decisions made as early as possible, because we think that people-to-people exchange works best for both sides. We will definitely work hard. At the same time, I am receiving positive feedback from the departments we have been talking with. Of course, some details need to be ironed out. I hope to be able to get some decisions made as soon as possible so that we can tell everybody.

In the course of doing so, we have to ensure that things happen in an orderly manner, and things will be under control. We used to have a problem of parallel trading, but things have also changed. We will look at all potential threats and risks in any new measures we take, we have to bear in mind to see how we will mitigate and control them. But I think the right attitude to take is not to be averse to all these challenges. We have to find ways to address and control them. The spending habits and the market situation have also changed very much over the years — online shopping, availability of a lot of products on the Mainland, and how Hong Kong

positions itself as a shopping paradise. All these need to be examined so that we will plan our policies, strategies and subsequent actions in accordance with the new environment and the new normals. All these will need to be worked out. The Government will do its best to think of the best way to deal with it, but equally important is that all players in the market, whether they are in the tourism industry, retail business, catering or service industries, need to work hard to think of new ways, to not just ensure that we attract a lot of people to come to Hong Kong, but ensure that they have good experiences — how services, our attractions and our way of ensuring that people do come to your shops to spend, and how to ensure that their experiences are good, so that they will go back and tell people around them that Hong Kong is the place to come. All these, the Government will work hard and, at the same time, I hope players in the market and in all these industries will also be as innovative as they always have been to ensure that we will be able to handle all these new normals well.

In regard to solid waste charging, I have heard a lot about questions that have been raised in the industries and by members of the public. I have asked the Secretary for Environment and Ecology to ensure that the action plan has its details worked out and clearly explained to all relevant parties, whether they are in the estate management sector, the catering sector, the housing sector, and all members of the public who need to buy all these charging bags. All these are information that needs to be clearly explained, spelled out, and easily available to everybody. They will work harder on holding seminars, doing press conferences, explaining whenever they can with different stakeholders, and also work out good Q&As, so that people can easily understand what their roles will be, what the legal responsibilities are, and how things will work out, when all these things are rolled out.

This charging policy is an important policy to change human behaviour. We know it is full of challenges and uncertainties when all these new behaviours need to be, in some way, carried out by everybody in the whole of Hong Kong. It is a cultural change as well, so all these things will be for everybody to take note of. I trust that everybody wants to have a better and greener environment to live in, and this charging policy has been implemented in a lot of cities around the world, particularly advanced cities. For example, in a lot of countries around us, solid waste has been reduced significantly as a result of this charging policy. I think it is for everybody to pay attention to. Of course, the Government needs to explain very clearly and repetitively all the things that people of Hong Kong and people in different industries need to know about. I think a big campaign has to be launched by the Environment and Ecology Bureau. The Government as a whole will be taking part in the whole launching of this campaign. We will be hearing different views and suggestions, a lot of which actually arise because they may not have really understood very clearly the whole game plan. So yes, the Secretary for Environment and Ecology will be doing a lot of work in this area. We will also be talking to different sectors, including District Councils, Care Teams, and people in different districts, because we want people in all 18 districts to be able to know their roles, their legal duties, and how they work out together to ensure that we eventually will have this new charging policy carried out smoothly.

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