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

Following is the transcript of remarks by the Chief Executive, Mr John Lee, at a media session before the Executive Council meeting today (July 2):

Reporter: Good morning, Mr Lee, some English questions. Firstly, with regards to the pandas that will be coming to Hong Kong in the next few months, could the Government provide perhaps some more details about these animals, such as whether the animals would be a male and female pair like the previous time? When would they arrive? And also, what are some of the predicted economic and tourism benefits of these pandas coming to Hong Kong? The second question, about the increase of the duty-free limit for Mainland Chinese tourists, there has been some criticism that the amount is not high enough or attractive enough compared to those in Hainan. What would you think of some of these comments? How would you respond to the low numbers of visitors coming to Hong Kong following this increase? And would you appeal for the Central Government to consider raising or adjusting the limit to a higher one later in the future? Thank you.

Chief Executive: I know everybody is very excited by the likely and soon arrival of the pair of giant pandas. I thank again sincerely the Central Authorities for considering my proposal and having agreed to provide a pair of giant pandas for Hong Kong as a gift. I think the important thing is to ensure that the arrangements for the giant pandas' arrival will be smooth and safe, because I know that there will be quarantine requirements, and all the necessary procedures need to be followed. We have experience of receiving the gifts of giant pandas from the Central Authorities, and Ocean Park has been doing an excellent job in ensuring that they are well taken care of. What is important now, I think, is to ensure that we will actually carry out all the procedures as quickly as possible. I would like to see the Hong Kong Government delegation to make the trip as soon as possible to Sichuan, so that we can immediately discuss all the arrangements. We have experience in the two kind offers by the Central Authorities of giant pandas, but then we also have to ensure that all arrangements will be smoothly carried out. I know everybody will be interested to know of the details as soon as they are available. We will work hard on that, and I have been talking to the Secretary for Culture, Sports and Tourism to ensure that things will proceed as quickly as possible. We will make an announcement of the details once they are available. Everybody is excited, and I am excited as well. I would like to express my gratitude and appreciation to the Central Authorities again for the kind offer of this pair of giant pandas as a gift to Hong Kong, and I hope that we will be seeing their arrival within a few months.

As regards the different measures that have been introduced to support the economic development of Hong Kong, the Central Authorities have kindly raised the duty-free amount for Mainland resident tourists to RMB15,000. This has been achieved after a lot of efforts by different ministries and

authorities of the Central Government. I think it is important that we make good use of the new arrangement, so that the benefits will be realised to its best potential. There have been a series of measures to support Hong Kong. They all add together to help Hong Kong and to ensure that economic development and prosperity will be realised in Hong Kong, and they will have an amplification effect and also will synergise to help Hong Kong as a whole. It is important for us Hong Kong people, the Government included of course, to capitalise on and make good use of all the different measures and ensure that they realise their best potential in Hong Kong. That includes the Government and everybody in different sectors, to ensure that all the experiences, all the services and all the new responses, new arrangements and new offers by different sectors will be attractive, will offer a good experience, and will help visitors to have a good experience while they stay in Hong Kong. I urge everyone to really grasp and capitalise on these opportunities.

One thing I would like to add, and that is really from my heart, is Hong Kong is now at a stage of transition, different sectors of our economy will have to face new challenges because of the fast-changing economic situation around us. It is good news because there will be special areas where we can make use of, for example, scientific advances to help us to produce more, but there are also changes we need to accept, as we have gone through previously many times. Our previous success means that we can build and make success ourselves. We can't rest on our own laurels to just think of present success or past successes. All these successes tell us that we can make success and we can make success while the economic structure is changing every day. I urge everybody to think of innovative ways to capitalise on the new measures that have been offered to Hong Kong and, in this changing world, particularly in relation to business characteristics and also new economic environment, to build success again, as we have done many times in building our previous successes. I urge everyone to work hard to capitalise on all these measures and think of new ways to ensure Hong Kong will become another great success story.

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