<u>Transcript of remarks by SCED at media</u> session

Following is the transcript of remarks by the Secretary for Commerce and Economic Development, Mr Edward Yau, at a media stand-up before attending the Legislative Council Finance Committee meeting today (March 20):

Reporter: For an update on the progress of the government programme to subsidise mask factories in Hong Kong, how many companies have joined and what's the progress right now? Will they be able to produce quality face masks for the public?

Secretary for Commerce and Economic Development: Thank you. Since the approval of the emergency fund (Anti-epidemic Fund) last month, we have rolled out a Local Mask Production Subsidy Scheme, whereby the Government would subsidise the capital cost, and also agree to procure masks produced under the scheme. We have given initial approval to two applicants who are able to meet the basic requirements. They have the production lines and factory premises in place, and are going to upgrade them to a clean production environment. They have also got the materials and the capacity to fulfil the eligibility criteria.

The commencement of production of these two factories in around April or May signifies (the provision of) the first batch of locally produced and Government-financed masks for government use. We are also receiving other applications. We have another five applications in hand which have initially fulfilled those requirements. We hope to process them in no time, and hopefully they will join the initial two (factories) to start production soon. This also indicates that the Scheme has in fact incentivised local production of surgical masks for government use. But of course, if they produce more than what the Government could procure, they can put them to the market (for sale).

When talking to these enterprises, we notice that some of them are also interested in producing (masks) for children, because children masks are in heavy demand. So we are also discussing with them, see if they can also have other production lines, which can help to produce smaller masks for school-children.

Reporter: The foreign ministry (Ministry of Foreign Affairs) has ordered three journalists from three American press that they can no longer work in Hong Kong. Can you tell us what actually is the Government's response to this order from the foreign ministry?

Secretary for Commerce and Economic Development: I think the Ministry of Foreign Affairs has made a public statement on Wednesday saying that the arrangement was a reciprocal arrangement in response to the US' unfair treatment to certain Chinese media in the US. So this is basically the

reciprocal arrangement by the Ministry. As far as Hong Kong is concerned, the Basic Law does provide protection for freedom of press, and we always welcome international journalists to do their jobs in Hong Kong in strict accordance with both the Basic Law and local laws. I think that will continue to be the case. Thank you.

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