

**Chinese New Year Reception in Warsaw**

**3 February 2014**

**Welcome Remarks by Ivan K B Lee**

**Director,**

**Hong Kong Economic and Trade Affairs (Central and Eastern Europe)**

Under-Secretary of State Ms Kacperczyk, Ambassador Xu (徐堅大使), Linda, Stephen, Distinguished Guests, Ladies and Gentlemen,

It gives me great pleasure in welcoming you to our traditional reception to celebrate the Chinese New Year. This year is the Year of the Horse. Those who have joined us in previous years will know that I usually start my welcome remarks with a prediction of the coming year.

2. Fung Shui masters will tell you that the Year of the Horse will be a year of high energy, with excellent opportunities for those bold enough to seize them. In Chinese culture, the Horse is equated with speed, power, elegance and endurance. The Horse gives you a ride to your destination, so it is not only a symbol of travel, but also of speedy success. If you have not already done so, this year offers good opportunities for you to think Asia, think Hong Kong.

3. Another type of “fortune-tellers” is the economists. The World Bank forecasts a 3.2% growth in the global economy in 2014, while the growth forecast for China is 7.7%. The forecast by the International Monetary Fund is similar – 3.7% for the world and 7.5% for China. The consensus seems to be that Asia, particularly China, will continue to enjoy above average growth and be the engine for global economic recovery.

4. Hong Kong continues to benefit from such growth in the region. We expect that the real GDP growth for 2013 would be around 3%, up from 1.4% in 2012. We expect a better year in 2014.

5. These encouraging figures mean that there would be more business opportunities for our friends in Poland. Last year, we exported 9.8% more to Poland and imported 25.8% more from Poland when compared with 2012, and our bilateral trade saw a 14.4% growth.

6. And we see great potential for further growth. One reason is our booming tourism. Last year, we received over 54 million visitors, including over 40 million visitors from the Mainland China. This makes Hong Kong a perfect showcase for quality consumer products from Poland, because you can reach a wide audience in our part of the world.

7. Another reason is our close ties to Mainland China and at the same time our advantages as an international city. Hong Kong has a unique role as a super-connector between China and the rest of the world. Important to you is that our free trade pact with Mainland China, what we call the Closer Economic Partnership Arrangement, or CEPA, is nationality neutral. This means that Polish companies set up in Hong Kong can tap the benefits of the liberalisation measures under CEPA.

8. At the same time, Hong Kong continues to build on our traditional strength as a major international financial centre. Our stock market is the second largest in Asia and sixth largest in the world. We also remain the world's largest offshore Renminbi centre. Total Renminbi deposit reached one trillion Renminbi at the end of last year. Hong Kong provides a well-established platform for Polish enterprises and financial institutions to carry out Renminbi payments, financing and investments.

10. The close ties between Poland and Hong Kong reach beyond economic and trade. My last trip to Warsaw was in last November to host the Hong Kong Focus of the Five Flavours Film Festival, which gave Polish audience a great opportunity to sample some of the best contemporary movies from Hong Kong. I am sure there is room for further collaboration between Hong Kong and Poland in different areas.

11. Let me conclude by wishing you and your family members two traditional Chinese New Year greetings related to horses: 龍馬精神 to be as healthy as a horse; and 馬到功成, to gallop to your destination for a speedy success in all your endeavours in the Year of the Horse. Thank you.