

Chinese New Year Piano Recital and Reception on 24 February 2009, Warsaw

Welcome Remarks by Stephen Kai Wong
Director, Hong Kong Economic and Trade Office, Berlin
The Government of the Hong Kong Special Administrative Region

Ladies and Gentlemen,

I am most privileged to be able to celebrate the Year of the Ox here today. In the Chinese calendar, the zodiac Ox is a sign of prosperity through fortitude and hard work. People born in the Year of the Ox always give priority to action, and are capable of enduring any hardship. They are leaders, dependable, positive, possess an innate ability to achieve great things.

You may already know that the Chinese zodiac runs on a 12-year cycle. I wish to tell you something that you may not know: your honourable President, Mr. Lech Aleksander Kaczynski, was also born in the Year of the Ox in 1949, 60 years ago.

Year of the Ox also means much to me. I am very excited to tell you that this year marks a new beginning for me and my colleagues.

I am very pleased to let you know that a new Hong Kong Economic and Trade Office will start operating in Berlin in March 2009 to strengthen the ties with central and eastern Europe, in particular Poland. This is the first overseas representative office set up after Hong Kong's reunification with China.

The main responsibilities of this new office include promoting an accurate image of Hong Kong overseas, explaining the relevant policies to our counterparts including the governments, parliaments and the business sector, as well as enhancing mutual understanding among opinion-formers, politicians and the media. We also assist you in establishing connections and strengthening ties with Hong Kong by providing information, support and practical assistance.

This is also a historic moment that signifies a deeper cooperation between Poland and Hong Kong. The new office will add momentum to the already booming economic and trade ties between the two places.

The bilateral trade between Poland and Hong Kong grew steadily every year with a remarkable average growth rate of more than 27%. Total trade for the first ten months last year amounted to over EUR 540 millions, which has already exceeded the total trade of 2007, and was an increase of 24% comparing to the same period in 2007. These figures are very encouraging indeed.

Hong Kong is also the main point of re-export for trade between Poland and the Mainland of China. About 7% of the total trade between the two places routed through Hong Kong in 2007, of value almost EUR 450 millions.

We treasure very much the growing bilateral economic ties between us, because Hong Kong means business. Trade is our bread and butter and we have worked very hard to maintain and improve our advantages.

Since Hong Kong's reunification with the Mainland of China in 1997, we have been able to maintain political, social and economic stability. The "One Country, Two Systems" concept is working well and has helped to ensure a smooth transition. Hong Kong people continue to run Hong Kong with a high degree of autonomy.

Hong Kong has retained all the characteristics that have contributed to our city's development over the years. These include the common law legal system, which is underpinned by an independent judiciary. We have our own freely convertible currency, which has been pegged to the US dollar since 1983. We have a clean and efficient civil service and a liberal immigration regime.

Our economy has been consistently ranked as the freest in the world for over a decade, 15 years in a row by the Heritage Foundation, and it continues to thrive on open trade, free market and a free flow of information, ideas and talents. Our business-friendly approach is built on a commitment to maintaining a low and simple tax system. Salaries tax is capped at 15% and corporate tax at 16.5%. There is no VAT, no capital gains tax and no inheritance tax.

This winning formula has attracted more than 6,600 Mainland and overseas companies, including Polish enterprises, to set up offices in Hong Kong. More than half of them run their regional operations out of our city.

To put simply, Hong Kong is a place full of business opportunities which are too good to be missed.

And Hong Kong remains competitive despite the recent financial crisis.

As the financial crisis spread from the US to Europe and on to Asia, we remained vigilant to the dangers. We have taken a series of precautionary and temporary measures to lessen the impact of the turmoil and ensure the stability and smooth operation of our financial markets.

We have injected about EUR 8 billion (US\$ 10 billion) into the market to restore investor confidence.

We have guaranteed all deposits held in banks in Hong Kong until at least the end of 2010, and we have established a Contingent Bank Capital Facility to make available additional capital to banks should they require it.

All in all, our financial services sector remains in pretty good shape, thanks to our rigorous regulatory regime.

Hong Kong has endured the hardship and achieved great things. Just like an ox.

Tomorrow the Financial Secretary of Hong Kong, Mr. John Tsang, will announce the budget for 2009 – 2010. I am sure there will be many more policies to inject momentum to the economic developments of Hong Kong. I shall update you at the earliest opportunity.

Celebrating Chinese new year is a tradition among the Chinese communities, where friends get together to exchange good wishes and share the joy in a festive atmosphere. This is exactly what we would like to bring to you today. Besides blessing, I am proud to present a piano recital performance by a talented pianist from Hong Kong, Ms Colleen Lee.

Ms Lee is no stranger to Warsaw, actually Warsaw means a lot to her. Four years ago in 2005, she, the only female laureate, won the 6th Prize at the Chopin International Piano Competition here. Therefore she is so happy to see you again today in this beautiful city that has a special meaning to her.

As far as arts and culture are concerned, Hong Kong has always subscribed to a cultural policy that embraces freedom of expression, celebrates cultural diversity, encourages community participation and creates an environment conducive to the arts.

We have now gone a step further. We made a bold commitment to developing Hong Kong into an international cultural city by converting a 40-hectare harbourfront prime site into a cultural district. The West Kowloon Cultural District, as it will be called, will boast 15 new performing arts venues of different types, including a concert hall, theatres and a museum for the 20th and 21st century art.

The future iconic waterfront cultural district will serve as a platform to show the world the best in Chinese culture and to bring the best cultural and arts programmes and exhibitions from all over the world to Hong Kong.

I hope you will enjoy the piano recital and reception we have prepared for you, and bring home a happy memory of the Year of the Ox. As we in Hong Kong say, “Kung Hei Fat Choi”, meaning wishing you increased wealth and fortune.