



Hong Kong Chief Executive Carrie Lam Cheng Yuet-ngor addresses the opening ceremony of the Belt and Road Summit at the Hong Kong Convention and Exhibition Centre on Sept 11. The event drew participants from about 50 countries and regions. ROY LIU / CHINA DAILY ASIA WEEKLY

Agreement will give city defined role

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Hong Kong is eager to sign a deal with the National Development and Reform Commission (NDRC) by the end of the year to have its role in the Belt and Road Initiative, which aims to improve connectivity along the ancient Silk Road, more clearly defined.

The much-awaited agreement is expected to explain how and where Hong Kong will play its role in the Belt and Road push. This reflects the financial hub's vision of riding high on the undertakings and goals of the grand plan, Edward Yau Tang-wah, secretary for commerce and economic development, told the Belt and Road Summit in Hong Kong on Sept 11.

The prospective deal is a result of Chief Executive Carrie Lam Cheng Yuet-ngor's weeklong visit to Beijing last month. During the trip, Yau said, the Commerce and Economic Development Bureau of the Hong Kong Special Administrative Region (SAR) reached a consensus with the NDRC and the central government's Ministry of Commerce and Ministry of Foreign Affairs. They have agreed to exchange ideas about Belt and Road issues on a regular basis.

"For players in the trading industry, what makes them reluctant to jump on the Belt and Road bandwagon is the potential investment risk," said Yau. "Such a risk can be effectively mitigated with closer intergovernmental tie-ups."

He said the SAR government plans to utilize its economic and trade offices in the Chinese mainland.

"Information from intergovernmental dialogues would also be delivered in an organized and orderly manner, therefore shoring up investor confidence," he said.

The Hong Kong Trade Development Council, the SAR government's trade promotion arm, has introduced 175 Belt and Road projects for local companies and professional institutions getting on board, Yau revealed.

"With a huge ribbon of infrastructure projects set to get off the ground, the Belt and Road Initiative no longer remains conceptual. It has essentially been translated into potentially huge investment opportunities," he added. "Basically, the unique 'super-connector role' of Hong Kong in such a grand plan will be defined by its proximity to the vast mainland market."

Yau said the Belt and Road drive is not just for large enterprises. "Small and medium-sized enterprises and even micro-enterprises could aim high to play a part. What matters is a well-designed framework to ensure that enterprises of any size can give their expertise full play."

HK to sign Belt and Road deal

Forum hears how Hong Kong's expertise in professional services will help it facilitate the initiative

By WILLA WU in Hong Kong
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Carrie Lam Cheng Yuet-ngor, Hong Kong's chief executive, announced on Sept 11 that the government will sign a new cooperation agreement with the Chinese mainland to give full play to the city's unique advantages under the One Country, Two Systems principle in support of the Belt and Road Initiative, a China-led plan to revive the historical Silk Road trading routes.

Lam noted the agreement would cover key areas including finance, capital raising, infrastructure facilities, trade and investment facilitation and dispute resolution, as well as forging people-to-people bonds.

She described the new deal as another milestone after the mainland and Hong Kong signed the Closer Economic Partnership Arrangement in 2003.

Lam said both sides were in "earnest" discussion on details of the cooperation framework and agreed to sign it at the earliest opportunity.

She made the announcement while giving a keynote speech at the opening of the Belt and Road Summit in Hong Kong. Lam added that she was confident Hong Kong enterprises and talent could fully

engage in the initiative and reap many benefits through the new agreement.

Lam also discussed other actions Hong Kong has taken to turn the initiative into reality. One of them is that the government will take additional roles as a facilitator and promoter, and will adopt fiscal policies involving wise investment and competitive tax policy to support the Belt and Road.

Another effort that the Hong Kong government has made is the successful conclusion of the negotiations for a free trade agreement with the Association of Southeast Asian Nations (ASEAN), Lam said.

It will be signed in November, she added. She said Hong Kong's cooperation with ASEAN would be further expanded, as the 10 member countries not only enjoy a strategic position for the Belt and Road but also have the potential to be regional and global economic drivers.

Looking ahead, Lam said Hong Kong would find enormous opportunities in being a window to attract investment to Belt and Road countries and regions. She cited the recent report of the Asian Development Bank which estimated that the annual infrastructure investment requirement in Asia between 2016 and 2030 would be about \$1.7

trillion — double the current level in the region.

Besides, Hong Kong will also take a pivotal role in facilitating the Belt and Road because it excels in a variety of professional services. These include investment and risk assessment, research, financing, insurance, accounting, legal services and arbitration — which are all essential to the initiative.

Ning Jizhe, deputy head of the National Development and Reform Commission, said the commission would give its firm support to Hong Kong to capitalize on the initiative. He noted that the support would include providing policy assistance, supporting facilities and convenience for mutual cooperation.

Gao Yan, vice-minister of commerce, and Xie Feng, commissioner of the Ministry of Foreign Affairs of the People's Republic of China in the Hong Kong Special Administrative Region, who also spoke at the opening ceremony, both voiced their support for Hong Kong's vital role in the Belt and Road.

The Belt and Road Summit, a full-day event organized by the Hong Kong Trade Development Council, was divided into several panel discussions with topics covering government policies, infrastructure financing, dispute resolu-

tion and opportunities for young entrepreneurs. The inaugural event was in May last year, during which Zhang Dejiang, chairman of the National People's Congress Standing Committee, urged Hong Kong to grasp the opportunities presented by the Belt and Road in a timely manner.

In a panel discussion, themed Using Hong Kong as a Platform for Infrastructure Dispute Resolution, legal veterans welcomed the judicial independence in the city, which they held as a merit favoring Hong Kong as the dispute resolution center.

Teresa Cheng Yeuk-wah, chairman of the Asian Academy of International Law, said the reputation and integrity of judicial independence in Hong Kong has won international recognition and is firmly backed by evidence. She said that she is convinced it will remain strong in the city.

She noted that the World Economic Forum's *Global Competitiveness Report* gave Hong Kong 6.4 out of 7 in the field of judicial independence in the past two years.

This year's summit attracted more than 2,600 participants from about 50 countries and regions, including government leaders, policymakers, project owners and investors.