



A Monthly Roundup of News and Events in Hong Kong

March - April 2009

## Tsang pledges to explore economic opportunities with high potential

**H**ong Kong Chief Executive Donald Tsang recently noted that economic areas in which Hong Kong enjoys clear advantages will be explored to realize their full, long-term potential.

After chairing the fourth meeting of the Task Force on Economic Challenges (TFEC) on April 3, Mr. Tsang said previous meetings focused on short-term measures to stimulate the economy and preserve jobs.

“At today’s meeting,” he said, “members have embarked on a more important issue by setting their sights on the long-term competitiveness of Hong Kong and exploring our medium- and long-term economic opportunities.”

The TFEC will study how to further develop the following six economic areas:

### 1. Testing and certification

Hong Kong has a robust accreditation system in place. With the strong reputation of the local testing and certification industry, as well as a vast Mainland market, Hong Kong is well positioned to compete with international testing and certification brands.

### 2. Medical services

Hong Kong’s excellent health-care personnel and medical equipment, advanced medical technology and well-regulated Chinese medicine sector will attract people from peripheral areas to use medical services in Hong Kong. The government will continue to provide land for the development of private hospitals and encourage

## Local economy holding steady

Hong Kong Chief Executive Donald Tsang said recent measures have helped stabilize Hong Kong’s situation, adding that no local bank needs to be “rescued” and the city’s banking system remains stable. He added that he will monitor the situation and consider launching more relief measures in the middle of the year, if necessary.

Mr. Tsang said it is difficult to say when the economy will bottom out, but his administration will do its best to prevent the unemployment rate from exceeding the level seen during the SARS outbreak in 2003.

“I do not believe that we have seen the worst yet in the current financial crisis,” he said. “It has already shown the defects in our financial institutions, in the international community, and it has begun to bite on the real economy.

“It would take a bit of time before we are going to see the worst. Much depends on the effectiveness of measures being taken by large economies, such as the U.S.,

## cover page

### upcoming events

- [Hong Kong Comes to Chicago 2009 Festival to launch in May](#)
- [Computer & Communications Festival 2009 to be held in August](#)

### events



- [Commissioner visits Rhode Island](#)
- [Miami dragon boat festival attracts 25,000 spectators](#)

### major stories

- [Tsang pledges to explore economic opportunities with high potential](#)
- [Government welcomes measures to expand renminbi bond market](#)
- [Deck closure of Stonecutters Bridge marks near completion of Route 8](#)
- [Hong Kong Pavilion at 2010 Shanghai Expo to show case creativity](#)
- [Awareness of intellectual property rights protection remains high](#)

### news in brief

- [Sichuan project cooperation agreement signed](#)
- [Hong Kong is a leading wireless city](#)
- [Entry eased for Taiwan visitors to Hong Kong](#)

### business in

cooperation between public and private medical institutions.

### 3. Innovation and technology

Hong Kong has sound hardware and software technology, as well as a solid legal system, for applied research and development (R&D) to flourish. Hong Kong can also make good use of the Pearl River Delta's manufacturing advantages and the vast Mainland market to achieve economies of scale for R&D products.

### 4. Cultural and creative industries

With its East-meets-West culture, Hong Kong has a large pool of creative talent and a robust intellectual property protection program for creative work. The Mainland will serve as a vast market for such work. Hong Kong has already made progress in such industries as design, film and digital entertainment.

### 5. Environmental industry

Local enterprises have rich experience in pollution prevention and control, and are adept at commercializing environmental technologies. The dedication of the Mainland in tackling environmental problems in recent years provides substantial business opportunities for the environmental technologies in Hong Kong.

### 6. Educational services

Hong Kong provides a biliterate and trilingual environment, as well as an internationally recognized curriculum. Together with the heavy investment in tertiary education, research funding and academic facilities on par with international standards, and the keen demand for local tertiary education by Mainland students, there is ample room for the development of the education industry in Hong Kong.

Europe and our own nation.

"If there are protectionist measures being taken, I'm afraid it would take a much longer time for the world to recover," the Chief Executive noted. "But no one can say that they could rescue the whole world in a short space of time using proactive means by a single nation. It requires a global collective effort."

On the Central Government's plan to develop Shanghai as an international financial center, he said Hong Kong should neither fear nor worry about the move. Hong Kong thrives on competition and should find ways to maintain its competitiveness as a top financial hub, he said.

The Chief Executive noted that with the current global economic environment and increased integration with the Mainland, it must be ascertained whether these economic areas will present new opportunities and what the government can do to help them take off.

To take the matter forward, the Central Policy Unit will arrange a series of focus group discussions. Trade representatives, academia, researchers, TFEC members and government officials will participate, and they will report the outcome to the TFEC at its next meeting.

"The global economic situation is still severe," Mr Tsang said. "We will closely monitor the situation and consider introducing more measures, if necessary, to help people weather the economic difficulties."



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## hong kong

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- [Airlines see drops in passenger, cargo traffic](#)
- [Cathay Pacific to cut service, add furloughs](#)

## tourism

- [Tourism Board launches new food and wine promotion](#)
- [Tourism spending exceeds US\\$20.25 billion in 2008](#)

## banking & finance

## economy

## basic law