



EUROPEAN UNION

OFFICE TO HONG KONG AND MACAO

Europe Day reception Hong Kong 2016

Speech by Vincent Piket

Head of the EU Office to Hong Kong and Macao

Honourable Financial Secretary John Tsang

Honourable Secretary for Education Eddy Ng

Honourable Members of the Legislative Council

Mr Song Ruan, Deputy Commissioner of the Foreign Ministry

Distinguished guests, dear friends,

Also on behalf of my colleagues from the EU Member States I wish you a warm welcome to the Europe Day reception 2016.

The past year had its ups and downs for the EU. There was good news about our economy. We are back on a growth path, and after years of austerity our reforms have started to pay off. Our external trade was very strong, we remained the world's largest trading bloc and ran a handsome surplus.

Of course we know our reforms are not finished and we have to push on. We need to get more people back to work and boost investment and innovation, to create the low-carbon, sustainable economy we want by 2050. It will be a big job, but we are moving in the right direction. It will bring benefits for our member states and our 508 million citizens.

But two big challenges face us. First, the refugee crisis. Our readmission agreement with Turkey has created a drop in the refugee flows. But the reality is that, for as long as they last, the conflicts in Syria and elsewhere in the Near East and Africa will continue to send many refugees to our shores. The refugee crisis has caused divisions among our member states, and has contributed to the rise of radical anti-immigrant groups. So we have a major political job at our hands, for which there are no simple solutions. The debate about it will happen during the coming weeks.

The second big task is to develop a new agenda that responds to the needs of our citizens tomorrow. It is a fact that the benefits the EU produces are sometimes taken for granted, support for the EU among the citizens is too low, and Euro-sceptic parties have been voted into member state parliaments as well as the European Parliament. So, regardless of the outcome of the UK's EU referendum, Europe will have to work hard on an economic and political agenda that can rally everyone. It is a tough task that no doubt will prompt some more summit meetings that run into the late of night. Even without filibustering. But I'm confident we will succeed. Because everybody knows that the big problems of today can only be solved together.

Moreover, we should not take our eyes off the many good things that go on behind the political headlines. One of those good things is our relations with Hong Kong. In fact, our relations have done

exceedingly well. In 2015 our bilateral trade in goods and services reached an all-time high of 71 billion Euros. We remained Hong Kong's 2nd largest trade partner, only after mainland China. The number of EU firms in Hong Kong rose to a new high of 2,030, which is 90 more than the year before; all in all one quarter of all mainland and foreign firms based here comes from the EU. This is testimony to Hong Kong's continuing appeal as a business hub in Asia. Today the Europe-Hong Kong Business Council held its annual meeting; tonight I particularly welcome the Council members, headed by their co-chairs Victor Chu and Michael Dieckmann.

At the government-to-government level we are working on a dynamic agenda of trade and customs facilitation. We have had a very close cooperation on financial services. On tax matters we have stepped up dialogue, which will continue in 2016. On research, we agreed a scheme with the Research Grants Council to boost Hong Kong participation in the EU's large research programme *Horizon 2020*. Right before this reception we held a seminar about innovation, a top priority for Hong Kong and the EU. Education exchanges continued in the ERASMUS+ programme and in the EU Academic Programme. An exciting activity was the very realistic Model EU simulation we did last month: the winners are present this evening. And finally in 2015 we decided that we will explore the launching of negotiations for a bilateral investment agreement, similar to the investment agreement being negotiated between the EU and mainland China.

Three weeks ago the EU institutions brought out their annual report on the functioning of the "one country, two systems" principle in Hong Kong. The report voiced concerns about the rule of law in the case of five disappeared publishers. And as regards the electoral reform we expressed our hope that the process will be resumed soon. But aside from these two aspects, our report says that Hong Kong maintained its strong record on the independent judiciary, the rule of law, the high anti-corruption standards, and the freedom of speech. As is true for the EU, Hong Kong's assets and strengths need to be nurtured and developed. But having lived and worked here for four years now, I am convinced that Hong Kong can make that a success.

Financial Secretary, so much for the serious part of my speech. Now comes the very serious part. Because Europeans are very serious about celebrations, about gastronomy, wine and food. In fact, Financial Secretary, I think this is something we have in common with you. Because I realized that out of the four Europe Days I have hosted during my tenure, three had you as the Guest of Honour. It must have to do with the gastronomic attractions that are on display tonight. I am therefore happy to present you with a copy of the brand new second edition of the *Tasty Europe* cook book. We launched it last week at the VTC training centre in Pok Fulam with a cooking contest among eight VTC students who were asked to make a Spanish tortilla. The winners are present tonight.

I am going to close by thanking my colleagues the Consuls General of the Member States and your sponsors for your wonderful contributions. It is your missions and companies that make this European show possible with the splendid offer of characteristic food and beverages from your countries.

I would also like to thank the Honorary Consuls of EU Member States for their cooperation. You are great colleagues and friends and I thank you very much indeed for your support.

Finally I would like to thank my staff at the EU Office for their hard work in organising this celebration. You are all wonderful colleagues and I am lucky to be working with you.

I close by wishing you a very pleasant evening and I would like to invite you to please join me in a toast

to the people of the People's Republic of China and the Hong Kong Special Administrative Region.
