

Speech by Mr Andrew Wong
Signing ceremony for the
Declaration of Intent on Co-operation in
Wine-related Businesses between
Hong Kong and Germany on
29 May 2012

Parliamentary State Secretary Bleser, distinguished guests, media friends,
ladies and gentlemen,

Good afternoon. Guten Tag.

2. A very warm welcome to you all to this signing ceremony.
And an especially warm welcome to our friends from Germany.

3. Germany is among the top wine producing countries in the
world. I understand that German vineyards cover almost 1 100 square
kilometers of the spectacular German countryside. I mention this
because this almost the same size as the entire landmass of Hong Kong.

4. Imagine driving from the south of Hong Kong Island up to Lo
Wu at the boundary, to Sai Kung and to Tai O on Lantau and seeing
nothing but vineyards!

5. Of course, that is not possible; in fact we don't have any
vineyards in Hong Kong. But today, we have the next best thing. We
meet on the auspicious occasion of Vinexpo Asia-Pacific to sign a
Declaration of Intent on Co-operation in Wine-related Businesses with

Germany.

6. This Declaration of Intent will facilitate co-operation on a wide range of wine-related activities such as exhibitions and wine fairs, auctioneering, storage, education, tourism and more.

7. In the four short years since Hong Kong eliminated duties on wine, we have become a major wine trading and distribution hub in Asia. This time period is a mere blink of an eye compared to Germany's winemaking history which dates back some 2 000 years. Today, Germany produces some of the most sought after wines.

8. I have no doubt that stronger co-operation between Germany and Hong Kong will help meet the aspirations of the wine industry in both places. We also look forward to sharing Hong Kong's own expertise and know-how that comes from being a major international business, logistics and financial centre on the door step of Mainland China.

9. Since duty exemption, Germany has secured its place among our top 10 wine importing regions. The value of our German wine imports leapt 173% year-on-year in 2010 and a further 60% last year.

10. There is a growing appetite for wine consumption, investment, education and marketing across our region, and particularly in Mainland China.

11. A special component in this Declaration relates to investment opportunities, including those under the framework of our unique free trade pact with the Mainland – what we call the Closer Economic Partnership Arrangement, or CEPA.

12. I have already mentioned that we don't grow any grapes in Hong Kong. However, we do have a couple of urban wineries which, among other things, can take advantage of CEPA. Under CEPA, firms that import grapes to produce wine here can export "Made in Hong Kong" wine to the Mainland tariff-free.

13. I encourage German wine makers and all German companies to explore how they may be able to make use of the unique concessions under CEPA to expand their businesses into the Mainland.

14. Earlier today the Secretary for Commerce and Economic Development spoke about some of the trends and opportunities for the wine industry at the opening of this year's Vinexpo Asia-Pacific. I am delighted that Germany has its own Pavilion at Vinexpo. I am sure it will be very popular with trade visitors.

15. I am also pleased that we are joined today by some of my colleagues from the Tourism Commission, InvestHK and Customs among other agencies. We, along with our representative office in Berlin, look

forward to working with our German counterparts in developing wine-related businesses targetting the huge market in Asia.

16. Finally, I would like to take this chance to wish our friends from Germany a successful Vinexpo Asia-Pacific. We hope to see you back in Hong Kong for the International Wine and Spirits Fair in November.

17. Thank you and have a great day.