

Speech of Ms Teresa Cheng, SC
Secretary for Justice
National Day Reception of the Socialist Republic of Vietnam
30 August 2018 (Thursday)

Consul General, ladies and gentlemen,

It is my pleasure to be here, celebrating the 73rd anniversary of the National Day of the Socialist Republic of Vietnam with all of you tonight. On behalf of the Government of the Hong Kong Special Administrative Region, may I extend to you, Consul General, and the people of Vietnam, our warmest congratulations on your National Day.

2. As mentioned by the Consul General, economic growth of Vietnam in 2017 was impressive by hitting a record high. With the Government's continuous efforts in adding momentum to the growth, Vietnam's growth rate is expected to top among major economics in the Southeast Asia¹. Vietnam has climbed 14 places to 68th out of 190 economies in the World Bank's 2018 Ease of Doing Business ranking².

3. That increasing ease of doing business has shown striking results in our bilateral trade, exemplified by the robust figures provided by the Consul General earlier. If I may add, the trend is encouraging and promising with trade between us soared almost 10 per cent a year on average between 2013 and 2017.

4. With numbers like that, it is hardly surprising that Vietnam was Hong Kong's 10th largest-trading partner in 2017, while

¹ Asian Development Bank, <https://www.adb.org/countries/viet-nam/economy>

² Vietnam Briefing, 10 November 2017, <http://www.vietnam-briefing.com/news/vietnam-rises-14-places-in-the-world-banks-ease-of-doing-business-rankings.html/>

Hong Kong was Vietnam's ninth-largest trading partner and fifth-largest export market.

5. Among the total trade between Vietnam and the Mainland last year, US\$10.8 billion, about eight per cent of the total trade, was routed through Hong Kong. More than a statistic, it underscores our expanding role as the business bridge between the Mainland and the rest of the world.

6. That critical role will expand, creating more opportunities for our two economies, especially with the signing of the Free Trade Agreement between Hong Kong and ASEAN in November last year.

7. As mentioned by the Consul General, Vietnam is the largest trade partner of Hong Kong among ASEAN countries. The Free Trade Agreement will surely boost the close trade and investment ties between Vietnam and Hong Kong.

8. With the enormous potential of Vietnam's economy, Hong Kong does have a role to play and assist in the sustainable development of this growth engine in Asia. According to the Global Infrastructure Outlook³⁴, Vietnam needs a total of US\$605 billion for its infrastructure investment from 2016 – 2040, and the expected cumulative investment amount would be US\$503 billion during that period. While there is a gap of US\$102 billion to be filled, I venture to encourage Vietnamese business community to take advantage of the outsized opportunities now being realised by the Belt and Road Initiative.

³ The ASEAN Post, Challenges for the Belt and Road Initiative in Vietnam, 2 May 2018, <https://theaseanpost.com/article/challenges-belt-and-road-initiative-vietnam>

⁴ Global Infrastructure Outlook by the Global Infrastructure Hub, <https://outlook.gihub.org/countries/Vietnam>

9. Following the signing of a memorandum of understanding between China and Vietnam on joint implementation of the Belt and Road Initiative and Vietnam's "Two Corridors and One Economic Circle"⁵ plan last November⁶, I envisage that the relations between the two countries will only grow closer and closer on various fronts.

10. In Vietnamese businesses' participation in the Belt and Road Initiative, you may face challenges on contract dispute, capital raising and other issues when investing abroad. Given our international legal and dispute resolution, financial and other professional services prowess, there is much we can offer to our friends in Vietnam.

11. I agree much to the Consul General's ideas, such as continuous exchanges between the high level government officials, to further strengthen the bilateral relations between Hong Kong and Vietnam. In this regard, I must say I was encouraged by the recent remarks made by Prime Minister Nguyen when our Secretary for Commerce and Economic Development led a business mission to Vietnam in March. The Prime Minister welcomed Hong Kong companies to contribute to Vietnam's development, particularly those with expertise in transport, finance, investment and other professional services.

12. We have the expertise that may be useful to Vietnam. Beyond trade and investment, we are eager to build ties that embrace culture, education and tourism as well. I look forward to our growing cooperation on various fronts.

⁵ The two corridors cover Kunming of China, Lao Cai, Hanoi, Haiphong and Quang Ninh of Vietnam, and Nanning of China, Lang Son, Hanoi, Haiphong and Quang Ninh of Vietnam. The Circle is the Beibu Gulf Economic Circle.

⁶ The State Council of the PRC, China, Vietnam agree to deepen partnership under new circumstances, 13 November 2017, http://english.gov.cn/news/top_news/2017/11/13/content_281475940998356.htm

13. As you celebrate your National Day, I wish the people of Vietnam prosperity and happiness, and may the friendship between Hong Kong and Vietnam, built on the firm foundation we have, continue to grow from strength to strength.

14. May I now propose a toast “To the People of Vietnam”.