

**Hong Kong, China's Statement for the
69th Session of the United Nations
Economic and Social Commission for Asia and the Pacific
(UNESCAP)**

(to be delivered in the ministerial segment)

**Opportunities to Build Resilience
to Natural Disasters and Major Economic Crises**

Your Excellency the Chairman, Executive Secretary, Distinguished Delegates, Ladies and Gentlemen,

On behalf of the Hong Kong, China delegation, I would like to congratulate the Government of Thailand and the ESCAP Secretariat on the very successful organisation of this meeting. I am also grateful to the Government and people of Thailand for the very warm hospitality extended to us.

(I) Economic Outlook for Hong Kong, China

2. I would like to begin my remarks with an overview of Hong Kong, China's economy. In 2012, our economy grew very modestly by 1.4% only, mainly dragged by the weak external demand amid an austere global economic environment.

3. Looking ahead, the external trading environment remains unsteady amid the fluid eurozone sovereign debt situation and the fragile fundamentals of the advanced economies. Our recent Budget has provided a package of support measures, estimated to lift our GDP by about 1.3 percentage points this year. These measures, together with our sound economic fundamentals, the growing momentum of the economy of the Mainland of China, as well as steady domestic demand, should help us tide over a challenging year. Even so, our economy is forecast to grow by 1.5% - 3.5% for 2013 as a whole, slower than the average growth of 4.5% in the past 10 years.

4. Despite the near-term difficulties, the medium term outlook for our economy remains positive. The trend real GDP growth is forecast at 4% per annum from 2014 to 2017.

(II) Building resilience to major economic crises and natural disasters

HKC's efforts in building resilience to major economic crisis

5. Let me now explain our efforts in building resilience to major economic crises and natural disasters.

6. In face of a still unsteady global trading environment, it is important to ensure our macroeconomic and financial stability. We always stay alert to the risks of renewed volatility in capital flows, and will not hesitate to take necessary measures to cope with these risks as situation warrants. For example, we have introduced packages of measures to manage the increased housing bubble risk as a result of the third round of quantitative easing (QE3).

7. Hong Kong, China will continue to ride on the growing economic prowess of the Asian region and deepen our integration with the Mainland of China as well as other economies in the region, while continuing to facilitate our transformation into a high value-added, knowledge-based economy.

8. We recognise that economic growth and development has to be sustainable and inclusive. Building resilience also includes tackling issues arising from an ageing population, poverty and income disparity, in the context of maintaining our long-term fiscal sustainability. Long-term economic growth is the basis for properly addressing the social issues.

HKC's efforts in building resilience to natural disasters

9. Hong Kong, China is committed to providing an effective and efficient response to all emergency situations and we are always vigilant to any potential natural disasters that may affect the community. We have in place an Emergency Response System to coordinate plans for rescue, recovery and restoration management in handling emergencies and disasters. Training and exercises are conducted periodically.

10. Adoption of a systematic approach and the identification of multi-dimensional solutions are key elements to building resilience. We are always prepared to manage disasters and emergencies, and most importantly, lead the community to withstand and recover from effects of major shocks in a timely and efficient manner.

11. In the case of Hong Kong, typhoons and storms are the most common natural hazards. Hong Kong, China is an active member of the World Meteorological Organization (WMO) and the Typhoon Committee under the auspices of WMO/ESCAP and contributes to cooperation in disaster management and prevention in the region. The Hong Kong Observatory hosted the 45th Session of the Typhoon Committee in early 2013 and its Director serves as the chairperson of the Committee in the coming year. We also chair the Advisory Working Group of the Committee to take forward initiatives during the inter-sessional period.

HKC's efforts in protecting and empowering the poor and vulnerable

12. I will now turn to our efforts in protecting and empowering the poor and vulnerable, as a means to inclusive development and building resilience.

13. While Hong Kong, China is a generally affluent society, there are still many people who live a hand-to-mouth existence. In late 2012, the Government reinstated the Commission on Poverty. The Commission has identified as one of its priorities the setting of a poverty line as a tool for gauging the poverty situation and assessing the effectiveness of our poverty alleviation policies. The Commission will also review existing policies and formulate new policies to prevent and alleviate both poverty and social exclusion, to promote upward social mobility and to provide an appropriate safety net to better help the disadvantaged overcome material deprivation and improve livelihood.

14. Hong Kong, China has a sound social security system to help people meet their basic needs. Our aim is to assist those who face financial vulnerability because of old age, illness, disability, unemployment, low earnings or other reasons. The Government also heavily subsidises various social services for the benefit of people in need.

15. In addition, we have established the Community Care Fund (CCF) to provide assistance to people facing economic difficulties, in particular those who fall outside the social safety net or those within the safety net but have special circumstances that are not covered. Moreover, the CCF may implement measures on a pilot basis to help the Government identify those that can be considered for incorporation into regular assistance and service programmes. To build a caring culture in society and to encourage the better-off to contribute, the CCF is open to

donations from the community.

16. Hong Kong, China is also committed to facilitating employment and enhancing labour market efficiency and helping job seekers secure employment. A comprehensive range of employment assistance and recruitment services is provided for job seekers and employers free of charge.

17. Apart from social welfare, our health and education policies also build resilience in our community. Health and education are the Government's major expenditure areas, representing 17% and 22% of our recurrent expenditure in 2013-14. Hong Kong, China's public healthcare policy aims to provide comprehensive and lifelong holistic health care services to each citizen, and to ensure that no one is prevented, through lack of means, from obtaining adequate medical treatment.

18. It is our policy that no student will be deprived of the opportunity to receive education due to lack of means. We provide 12-year free education to all children attending public sector schools, as well as financial assistance, loans and grants to students engaged in pre-primary to tertiary education.

19. Apart from providing quality education opportunities, we also continuously strengthen our vocational training and retraining programmes to help our workforce adapt to the changing skills requirements arising from economic restructuring and globalisation.

(III) Closing Remarks

20. In closing, I would like to thank the Commission for giving Hong Kong, China this opportunity to share with you our latest developments, our work in building resilience to major economic crises and natural disasters, as well as our efforts in protecting and empowering the poor and vulnerable in Hong Kong. We look forward to working closely with ESCAP and members in the future.

21. Thank you.

(Total: Around 1,200 words)