

**Minister's Speech at the
"Taiwan-Hong Kong Cooperation in Logistics and Distribution
Channels Forum"**

December 4, 2017

Chairman Jimmy Ng Wing-ka, Deputy Minister Chang Tien-chin, Vice Convener John Huang, Honorary Chairman Chang Pen-tsao, Friends from Hong Kong and Taiwan, Friends in the Media, Ladies and Gentlemen, Good morning!

I am delighted to have this opportunity today to participate in the "Taiwan-Hong Kong Cooperation in Logistics and Distribution Channels Forum" held by the Taiwan-Hong Kong Economic and Cultural Co-operation Council (THEC). This forum is joined by industry representatives concerned with the development of the logistics industries in Taiwan and Hong Kong and who have engaged in practical related work. We all know that "goods need to flow freely for things to be put to their best use." Enabling "people do their best" is of foremost importance: talent is the key. This forum brings together the elite of Taiwan and Hong Kong's logistics industry. It has tremendous significance for logistics cooperation between Taiwan and Hong Kong.

It is said in martial arts novels or movies that, "only the swiftness is invincible in the world of martial arts." This is also an emphasis in the logistics industry. I believe that you all have personal experience of the need to be "fast and accurate" in seizing business opportunities. With this in mind, you have been invited to come together and share your wisdom so that Taiwan and Hong Kong can grow and prosper hand-in-hand all year round.

Economic and trade exchanges between Taiwan and Hong Kong are very

close whether measured by import and export trade or mutual investment. Taiwan is Hong Kong's third largest trading partner while Hong Kong is Taiwan's fourth largest trading partner. Taiwan sends 13% of its total annual exports to Hong Kong, amply showing Hong Kong's pivotal role in Taiwan's foreign economic and trade relations.

Since the establishment of the Taiwan–Hong Kong Economic and Cultural Co-operation Council (THEC) and the Hong Kong–Taiwan Economic and Cultural Co-operation and Promotion Council (ECCPC) in 2010, relations between Taiwan and Hong Kong have developed from non-governmental exchanges to substantive official contacts. However, we all know that economic and trade relations form an important basis for maintaining relations between Taiwan and Hong Kong. The THEC has thus consistently and actively promoted economic and trade exchanges between the two sides. Today's event fully demonstrates the attention of the THEC to promoting the development of substantive relations between Taiwan and Hong Kong.

"Smart logistics" and "logistics finance" are the central topics of this forum. New technologies such as blockchain and artificial intelligence have started to play an important role in the development of logistics and distribution channels. Moreover, the integration of logistics and finance into logistics finance services is helping finance and companies to develop new business models. By seizing this trend, logistics companies in Taiwan and Hong Kong can not only be more competitive, but also respond to new types of business challenges in the future.

With its strong sci-tech industry foundation, Taiwan enjoys a dominant position in the field of information and communication technology, a key area for smart logistics. Hong Kong's logistics industry is global in scale. In the financial sector, Hong Kong is one of the world's major financial centers and

developing financial products is its strong suit. If Taiwan and Hong Kong join forces in these fields, both sides can mutually benefit and jointly create a win-win outcome.

Taiwan is intensively promoting a "New Southbound Policy" to deepen economic and trade exchanges with ASEAN countries. On November 12 this year, Hong Kong signed a free trade agreement with ASEAN to develop closer economic and trade interaction between the two sides. Cooperation in the logistics industry between Taiwan and Hong Kong will provide a big boost for Taiwan's "New Southbound Policy." Indeed, there has never been a better time for the logistics industries of the two sides to jointly develop the ASEAN market.

I would like to thank everyone for joining today's event. I would also like to especially thank the Taiwan Coalition of Service Industries (TWCSI) for its painstaking arrangements in organizing this event. I hope that all sides in Taiwan and Hong Kong can continue, in the spirit of goodwill, pragmatism and reciprocity, to further advance Taiwan-Hong Kong relations in a positive direction.

Finally, I would like to wish the forum a full success. I also wish you health, happiness and all the best. Thank you!