

Speech by SEDL at HKSAR/Iceland Air Services Agreement signing ceremony

Following is the speech by the Secretary for Economic Development and Labour, Mr Stephen Ip, at HKSAR/Iceland Air Services Agreement signing ceremony in Reykjavik, Iceland today (August 9) (English only):

Minister Fridleifsdottir, Distinguished Guests, Ladies and Gentlemen,

It is my great pleasure to be in Reykjavik to sign the Air Services Agreement between the Government of the Hong Kong Special Administrative Region of the People's Republic of China and the Government of the Republic of Iceland. I would like to thank Minister Fridleifsdottir, Ambassador Egilssonfor and the Iceland Government for your hospitality and thoughtful arrangements.

The Air Services Agreement we are signing today is the first formal bilateral agreement between the Hong Kong Special Administrative Region and Iceland. It marks an important milestone in our bilateral relationship. The agreement will provide a legal framework for the establishment of scheduled air links between the two places.

Since the opening of the Hong Kong International Airport in 1998, the Hong Kong SAR Government has implemented a policy of progressive liberalisation of our air services regime to enhance Hong Kong's position as an international and regional aviation centre. Hong Kong now enjoys an extensive air services network, with direct flights to more than 140 destinations worldwide. Each week, some 70 international airlines operate more than 4,500 flights into and out of Hong Kong. To maintain our status as an international aviation hub, we will continue with the policy of progressive liberalisation. The agreement between Iceland and Hong Kong is an extremely liberal one whereby airlines of the two sides are free to operate as many passenger and cargo flights between the two places as they wish.

The air services market between Hong Kong and Iceland has good potential. Among the 6.8 million Hong Kong residents, many are frequent travellers who are keen to explore new and exotic places around the world. Iceland certainly presents an attractive choice for Hong Kong people to experience its culture, friendly people and pollution-free environment.

On the other hand, Hong Kong also has a lot to offer. We are a world-renowned shopping centre with thousands of good restaurants serving Chinese and international cuisine. I am sure the people of Iceland would find Hong Kong a very attractive tourist destination.

The conclusion of our Air Services Agreement today signifies closer cultural and economic ties between our two governments and our people. Hong Kong welcomes all of you from Iceland and I look forward to seeing you in Hong Kong soon.

Ends/Monday, August 9, 2004