

HONG KONG

Asia's world city

January 2007

The Logistics Hub of Asia

Situated at the heart of Asia, Hong Kong is within five hours' flying time of half the world's population and is the major international gateway to the mainland of China, the world's most populous consumer market and largest manufacturing base.

Hong Kong is the world's busiest international air cargo handling centre and one of the world's busiest container ports. Whether goods move by sea, air or land, Hong Kong's world-class infrastructure and integrated services expertise make it the preferred international logistics hub and supply-chain base in Asia.

Hong Kong is the logistics gateway to China, with more than 90 per cent of Hong Kong's re-exports originating from or destined for the Mainland. China's rapid economic growth and its market liberalisation as a member of the World Trade Organization mean that trade flows through Hong Kong will continue to expand significantly.

Hong Kong's success as a logistics hub lies in its superior connectivity.

Hong Kong businesses are unrivalled at creating and managing highly flexible supply networks. Goods flow swiftly and efficiently between southern China and the rest of the world — especially now that Hong Kong's economic integration with southern China is accelerating.

Services account for 90 per cent of Hong Kong's GDP. Much of that huge services sector — from transport and supply-chain management to financial and legal services — involves or supports the logistics industry. The Government provides world-class infrastructure, along with transparent and efficient customs procedures.

Container Port

Hong Kong is one of the world's busiest container ports. With its natural deep-sea port, Hong Kong serves some 80 international shipping lines reaching 500 destinations worldwide. Renowned for efficiency, the privately owned and operated container terminals at Kwai Tsing, Hong Kong's primary cargo-handling area, offer round-the-clock service.

The Kwai Tsing container port has 24 berths and a handling capacity of over 18 million TEUs. With the approach channel and marine basin dredged to 15.5 metres, the port will be able to handle the largest container ships currently on the drawing board.

Airport

Hong Kong has ranked first in the world in international air cargo throughput since 1996. Cargo throughput at Hong Kong International Airport (HKIA) has grown an average of over 11 per cent a year since the airport opened in 1998. Robust cargo growth is expected to continue, driven by strong demand from North America, Europe and the Mainland.

HKIA has been voted 'Airport of the Year' five times in the worldwide Skytrax survey. Hong Kong Air Cargo Terminals Limited (HACTL), HKIA's major terminal operator, has been named 'Air Cargo Terminal of the Year' at the Asia Logistics Awards for the past four years.

To strengthen its hub status, Hong Kong has been liberalising its air services regime by proactively negotiating new

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