



- Free flow of capital, free trade, free market
- No foreign exchange controls
- No investment restrictions – foreign investment migrants welcome
- About 274 000 small and medium-sized enterprises account for over 98 per cent of businesses and nearly 48 per cent of the private sector workforce

### International Business Hub

- The world's 11th largest trading economy in 2009 (*International Trade Statistics 2010*, World Trade Organization)
- Level playing field – local and international companies compete on an equal footing.
- Prime location at the mouth of the PRD
- International aviation and maritime centre
- Regional logistics hub
- Regional corporate hub – Hong Kong was host to 6 561 overseas, Mainland and Taiwan companies as at June 2010, 3 638 of which serve as regional headquarters or regional offices
- Regional communications and broadcasting hub – world-class telecommunications infrastructure
- Free flow of information – newspapers, magazines, internet freely available
- About 70 of the world's 100 largest banks operate in Hong Kong
- Intellectual property strongly protected

### Mainland Opportunities

- The Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA), operational since 2004, is a landmark free-trade pact that brings new business opportunities to the Mainland, Hong Kong and foreign investors. CEPA allows tariff-free entry to the Mainland of all Hong Kong goods meeting CEPA rules of origin, as well as preferential market access for a number of service sectors.
- Between 2004 and 2010, seven supplements brought further liberalisation.

Hong Kong's services suppliers now enjoy preferential market access in 44 service sectors.

- The Hong Kong-Guangdong Framework Agreement is set to create a new world-class economic zone and enhance Hong Kong's position as an international financial centre.
- Huge pool of entrepreneurs and professionals with decades of business and trade experience in China.
- China's most important entrepot – handles about 18 per cent of the Mainland's foreign trade.

### Building for the Future

Hong Kong is pushing ahead with 10 major infrastructure projects to promote economic development and create employment opportunities while giving due emphasis to heritage conservation. They include the following:

- 'One-hour living circle' – a combination of infrastructure and transport projects aims to reduce travel time between Hong Kong, Shenzhen and other PRD cities to just one hour.
- Hong Kong's rail network will expand from 219 km to over 260 km by 2015.
- New roads, railways and bridges have enhanced connections with the Mainland, especially the PRD.
- Hong Kong-Zhuhai-Macao Bridge – construction of the Main Bridge commenced in December 2009.
- West Kowloon Cultural District – an upfront endowment of \$21.6 billion (US\$2.8 billion) has been granted for the development of a world-class integrated arts and cultural hub on a 40-hectare waterfront site. Foster+Partners' 'City Park' concept has been adopted for its layout.
- Kai Tak Cruise Terminal – the terminal building and the first berth, able to accommodate the largest cruise vessels in the world, are expected to come into operation in mid-2013, followed by the second berth in 2015.

### Low Tax System

- From 2008-09, maximum salaries tax rate lowered to 15 per cent
- Corporation profits tax rate lowered to 16.5 per cent
- No value added or sales tax
- No capital gains tax
- No withholding tax on dividends and interest; no estate duty
- No global taxation; only Hong Kong-sourced income taxable

### Vibrant, Safe, Stable Place

- Convenient, compact, cosmopolitan city with stunning harbour, skyline and parkland vistas (about 40 per cent of Hong Kong's total land area is country park).
- World-class sports events held throughout the year – rugby, golf, cricket, tennis, table-tennis, squash, badminton and volleyball.
- World-class cultural performances, arts and drama festivals, art exhibitions, street carnivals – all contributing to a rich cultural life.
- One of the world's safest large cities with a law-abiding community and a well-trained, professional police force.

### Caring Society

- Comprehensive medical and welfare systems
- 12 years of free education
- Over 95 per cent of youngsters go on to senior secondary (or equivalent vocational) education
- Participation in post-secondary education has increased to over 60 per cent
- World-class universities – global rankings consistently high
- Social security net for the less privileged, the elderly and the unemployed
- About 50 per cent of local people live in public rental or subsidised housing in one of the most successful public housing programmes in the world

For more information, please visit [www.gov.hk](http://www.gov.hk)