

## Asia's world city - Connect and Excel

"Connect and Excel" defines how Hong Kong's high degree of connectivity, globally and with the Mainland of China, helps propel people and businesses to excellence in their chosen fields. With sound fundamentals, a strategic location, advanced soft and hard infrastructure and world-class talent, Hong Kong is the best place in Asia to help people and business connect and excel.

### Connect to unique opportunities

Under "one country, two systems", Hong Kong is a free port and open economy in the heart of Asia offering convenient access to vast markets in the Mainland of China and ASEAN.

- Hong Kong is the pre-eminent bridge between China and the world, and vice-versa. No other city offers the same level and sophistication of connectivity with the Mainland and global markets.
- Hong Kong is playing a pivotal role in national development strategies including the Guangdong-Hong Kong-Macao Greater Bay Area and far-reaching Belt and Road Initiative.
- Mega-infrastructure projects such as the Hong Kong-Zhuhai-Macao Bridge (HZMB) and the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL) will significantly enhance the efficient movement of people and goods within the Greater Bay Area and open up new opportunities in a market of more than 65 million people.
- A free trade pact with the Mainland (The Mainland – Hong Kong Closer Economic Partnership Arrangement, or CEPA) provides tariff-free access to the Mainland for Hong Kong manufactures, and enhanced access for Hong Kong service suppliers (including wholly-owned foreign enterprises incorporated in Hong Kong).
- Hong Kong is the global leader in Renminbi business and the prime node of connectivity between the financial markets of the Mainland and the rest of the world.
- As a free and open economy and a welcoming, pluralistic society, Hong Kong is the perfect testing ground for businesses and start-ups to explore new opportunities in the Mainland, and for Mainland companies to expand their reach to new global markets.
- Over HK\$100 billion (US\$12.7 billion) to boost innovation and technology (I&T), with focuses on developing four areas of strength: biotechnology, artificial intelligence, smart city and financial technologies.

### Connect to trusted partners and systems

With the rule of law, a tried and trusted common law system and independent judiciary,

Hong Kong offers security and peace of mind to people and business.

- The Basic Law preserves Hong Kong's common law system separate to the civil law-based system practised in Mainland China.
- Judicial independence is protected. The power of final adjudication rests with Hong Kong courts.
- The Government is clean, efficient and transparent.
- Global communications hub, with the free flow of news and information protected by law.
- Strong legal protection of property rights, intellectual property and data.
- Highly regarded law-enforcement agencies and a globally recognised anti-corruption commission.
- Low crime rate, one of the world's safest large cities.

### **Connect to world-class professionals and talent**

Hong Kong is among the world's most services-oriented economies, with services contributing over 90% of gross domestic product (GDP).

- Broad and deep pool of world-class professional and business services in finance, insurance, asset management, tourism, food and beverage, trade and logistics, architecture, design, marketing, healthcare, creative and cultural industries.
- Extensive legal services – over 10,000 practising solicitors, 1,500 practising barristers and 80 registered foreign law firms under a common law jurisdiction. Highly effective and trusted arbitration and dispute resolution centre.
- Global node for highly specialised commercial and shipping contract work.
- Vibrant start-up and tech scene.
- Top ranked universities globally with 3 in World Top 50 & 3 in Top 10 in Asia: Quacquarelli Symonds (QS) World University Rankings 2020: HKU (25th), HKUST (32th) and CUHK (46th); QS Asian University Rankings 2019: HKU (2nd), HKUST (7th) and CUHK (9th).
- Two of top four EMBA programmes globally (Financial Times EMBA rankings 2018).
- Renowned international institutions have established bases in Hong Kong include Sweden's Karolinska Institutet, Massachusetts Institute of Technology (MIT), Germany's Fraunhofer Institute for Production Technology, University of Chicago Booth School of Business, Northwestern University's Kellogg School of Management, Cornell University's College of Veterinary Medicine, Savannah College of Art and Design (SCAD), the Asia Society, HKU-Pasteur Research Pole (France) and the Nordic Innovation House.
- A Greater Bay Area academician alliance will be established in Hong Kong to promote the participation of academicians of the Chinese Academy of Sciences (CAS) and the Chinese Academy of Engineering in the development of the Greater Bay Area.

- The CAS will establish a presence at Hong Kong Science Parks' two research clusters to collaborate with local higher education institutions or research and development (R&D) centres.
- Range of schemes to facilitate overseas and Mainland China talent to work and live in Hong Kong, including a Technology Talent Admission Scheme and a Talent List to support the development of a high value-added and diversified economy.

### **Connect to a transport and information hub**

Hong Kong is a global transport and information hub completely plugged into global markets and networks.

- Hong Kong is within a four-hour flight of major Asian cities and a five-hour flight from half the world's population.
- Extensive cross-boundary links with Mainland China – road, rail, air and sea.
- Hong Kong International Airport, the world's busiest air cargo hub in 2018 (5.1 million tonnes) and one of the world's busiest for passengers (74.3 million passengers), connects to more than 220 destinations by over 120 airlines. Hong Kong Port is among the busiest and most efficient container ports in the world, handling 19.6 million TEUs in 2018. Some 310 container liner services per week connect to around 450 destinations worldwide. Hong Kong has sophisticated ICT infrastructure, including 11 submarine cable systems and 12 satellites for external communications. A number of high capacity submarine cable systems connecting Hong Kong, the US and other places are underway, which will further increase Hong Kong's connectivity and data capacity and boost our competitive edge.
- XRL plugs Hong Kong into the Mainland's high-speed rail network, with 70+ pairs of trains daily connecting to 58 short- and long-haul destinations.
- HZMB is the world's longest bridge-tunnel sea crossing, spanning 55-km across the Pearl River Estuary, opening up new opportunities in the western Pearl River Delta region.
- Seven boundary crossings between Hong Kong and the Mainland, including the Liantang/Heung Yuen Wai Boundary Control Point, expected to be completed in 2019, will provide a new access point with eastern Guangdong along the Shenzhen Eastern Corridor.
- Easy Internet access: the number of free Wi-Fi.HK hotspots will increase to 34,000 in 2019, mobile phone penetration rate of 259.9%, household broadband penetration rate of 93.2%.

### **Connect to a safe, cosmopolitan and livable city**

Hong Kong, Asia's world city, is an open, cosmopolitan and pluralistic society that seamlessly blends east-and-west, new-and-old.

- A fair, safe and stable society with a welcoming environment.
- English is an official language and widely used in government, business, and law.
- Year-round calendar of world-class arts, cultural and sporting events and home to some of the world's largest trade fairs.
- Green and healthy: About 40% of Hong Kong is protected countryside with rich biodiversity. Abundant opportunities for family outdoor activities and leisure in country parks, urban gardens and surrounding waters.
- More than 50 international schools offering curricula from countries including the UK, France, US, Canada, Australia, Japan, and Singapore as well as International Baccalaureate.
- Smart City Blueprint for Hong Kong focuses on "Smart Mobility", "Smart Living", "Smart Environment", "Smart People", "Smart Government" and "Smart Economy".

### **Connect to an international finance and business hub**

Hong Kong is a leading global financial centre with deep and liquid capital markets, a fully convertible currency (HK\$) and free flows of capital, goods and information.

- Consistently ranked among world leaders in terms of stock market capitalisation, IPO fund-raising, asset management, banking and insurance.
- Fully plugged into global markets and trading cycles.
- World's largest centre for offshore Renminbi business, including RMB trade settlement, banking, bond issuance and product development.
- Stock Connect links the stock markets of Hong Kong, Shenzhen and Shanghai; Bond Connect gives international investors direct access to the Mainland interbank bond market.
- World's largest offshore listing venue for Mainland Chinese issuers, with over HK\$6 trillion raised since the first H-share listed in 1993.
- Hong Kong originates and intermediates two-thirds of Mainland China's inward foreign direct investment (FDI) and outward direct investment (ODI).
- Low and simple tax system. Profits tax of 8.25% on first HK\$2 million (US\$255,000) of profits of corporations and 16.5% thereafter; salaries tax capped at 15%. No inheritance tax, no capital gains tax, no GST or VAT.
- World's most business-friendly tax system, according to a new ranking of 190 tax jurisdictions, by PricewaterhouseCoopers and the World Bank.
- Actively facilitating the development of fintech and smart banking.