

Guangdong-Hong Kong-Macao Greater Bay Area

Overview

The Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) is a vibrant city cluster that comprises the Special Administrative Regions of Hong Kong and Macao, as well as nine municipalities in Guangdong (Guangzhou, Shenzhen, Zhuhai, Foshan, Huizhou, Dongguan, Zhongshan, Jiangmen and Zhaoqing). Collectively, they represent an economic force of nearly 70 million people, with a GDP around US\$1.5 trillion.

Greater Bay Area Opportunities

- Strategic significance for Hong Kong in three key aspects: diversification of the economy and of industries; developing innovation and technology (I&T); and, forming a quality living circle in the Greater Bay Area to expand the living space of Hongkongers.
- High demand for world-class professional services in which Hong Kong excels, such as legal, accounting, architecture and engineering services.
- Plays to Hong Kong's fundamental strengths under the "one country, two systems" principle, including international connections, trusted common law system, and free flows of capital, information, and talent.
- Commissioning of the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link and the Hong Kong-Zhuhai-Macao Bridge in 2018 promotes cross-boundary business activity and creates a "one hour living circle" in the Greater Bay Area.
- The Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) is a unique free trade pact that accords tariff-free treatment to goods of Hong Kong origin upon importation into the Mainland and basically achieves liberalisation in trade in services. Besides, Hong Kong investments and investors enjoy investment protection and facilitation in the Mainland; and both sides have agreed to enhance economic and technical cooperation in 22 areas.

Hong Kong's role

Under "one country, two systems", Hong Kong enjoys the dual advantages of being part of China, while maintaining its global outlook and institutional advantages.

- **Financial services:** Hong Kong is an international financial centre and the world's leading hub for RMB business outside the Mainland; full range of globally benchmarked services such as banking, accountancy, fund raising, investment, asset management and RMB services.
- **Legal services:** With the common law system, strong rule of law and independent judiciary, Hong Kong can act as a "deal maker" and "dispute resolver" for enterprises and can serve as the international legal and dispute resolution services centre for the Greater Bay Area. Arbitral awards made in Hong Kong are enforceable in over 150 Contracting States to the New York Convention and also in Mainland and Macao with which Hong Kong has concluded arrangements on reciprocal enforcement of arbitral awards.
- **Business services:** Hong Kong has a full range of mature business services, including expertise in marketing, project management and risk management, logistics, supply chain

management and maritime (such as ship finance, marine insurance and maritime legal and arbitration) services.

- **Innovation and Technology (I&T):** With top-notch tertiary institutions and outstanding scientific research achievements, a robust intellectual property regime, advanced financial infrastructure, free flow of information and a vibrant business environment, Hong Kong is well placed to become an international I&T hub.
- **Creative services:** Hong Kong's creative services, including design, marketing and architectural services, attract attention from markets around the world.

High-Level Collaboration:

- Framework Agreement on Deepening Guangdong-Hong Kong-Macao Cooperation in the Development of the Greater Bay Area signed by the governments of Guangdong, Hong Kong and Macao and the National Development and Reform Commission (NDRC) on July 1, 2017.
- A Steering Committee for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area is chaired by the Chief Executive, with its membership comprising all Secretaries of Department and Directors of Bureau.
- The Constitutional and Mainland Affairs Bureau (CMAB) will set up a Guangdong-Hong Kong-Macao Greater Bay Area Development Office and appoint a Commissioner for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area to implement the relevant work.

Cross-boundary Co-operation:

- **Finance:** Stock Connect and Bond Connect schemes connect financial markets in Hong Kong with those in the Mainland.
- **Legal:** A Co-operative Arrangement on Legal Matters with the Shenzhen Municipal People's Government enhances legal collaboration and exchanges between Hong Kong and Shenzhen. Under the CEPA framework, partnership associations between Hong Kong and Mainland law firms have been set up in the Guangdong Province. Hong Kong legal practitioners have also been retained as legal consultants by Mainland law firms in the Greater Bay Area.
- **Innovation and technology:**
 - A co-operation arrangement signed with the Ministry of Science and Technology enhances scientific research and development (R&D) co-operation and exchanges between Hong Kong and the Mainland. Universities and research institutions in Hong Kong may apply for science and technology funding of the Central Government and use the funding in Hong Kong. A new Mainland-Hong Kong Joint Funding Scheme will be established to encourage cross-boundary R&D co-operation.
 - Hong Kong is working with Shenzhen to jointly develop the Lok Ma Chau Loop into the "Hong Kong-Shenzhen Innovation and Technology Park".
- **Creative:** The HK-SZ Design Innovation Hub, planned to be open in 2019, is an exchange platform for creative industries, including design and architecture, to boost co-operation between the two cities.