

Asia's World City at a Glance

Overview

Hong Kong is Asia's world city with a cosmopolitan community of seven million people who enjoy the best of East and West.

Famous for its hard assets, such as skyscrapers, world-class infrastructure and superb transportation system, Hong Kong also has many soft appeals in the form of beautiful countryside, interesting islands, a rich cultural and events calendar and exciting sports events.

Hong Kong retained its ranking as the world's freest economy in the Fraser Institute's 2016 survey of 159 economies. The US-based Heritage Foundation has ranked Hong Kong as the world's freest economy for 22 consecutive years.

As the "super-connector" between the Mainland of China and the rest of the world, Hong Kong serves as the "Chief Knowledge Officer" on China for international and Mainland businesses.

Hong Kong welcomes talent, professionals and entrepreneurs from all over the world.

One Country, Two Systems

On 1 July 1997 Hong Kong returned to the Motherland and became a Special Administrative Region of the People's Republic of China.

- The National People's Congress authorises the Hong Kong Special Administrative Region to exercise a high degree of autonomy, with executive, legislative and independent judicial powers, including that of final adjudication, in accordance with the provisions of the Basic Law.
- A free and open society where the rule of law is upheld by an independent judiciary.
- A clean, efficient administration and civil service.

- Free flow of information, freedom of expression and association as well as freedom of the press guaranteed.
- The fundamental rights of residents protected by law.
- Separate immigration, customs, police and anti-corruption authorities and jurisdictions.
- Hong Kong continues to participate in international forums in its own right (e.g. the World Trade Organization, Asia-Pacific Economic Co-operation, World Customs Organization, Financial Action Task Force).
- As at November 2016, there were 61 Consulates-General, 60 Consulates and six Officially Recognised Bodies in Hong Kong.
- Chinese and English are official languages.

A Free and Competitive Economy

- Hong Kong ranked first in the *World Competitiveness Yearbook* published by the International Institute for Management Development in 2016.
- One of the world's most service-oriented economies, with services sectors accounting for more than 90 per cent of GDP.
- Free flow of capital, free trade, free market.
- No foreign exchange controls.

International Business Hub

- Level playing field – local and international companies compete on an equal footing.
- Prime location at the mouth of the Pearl River Delta (PRD).
- Premier offshore Reminbi hub.
- International aviation and maritime centre.
- Regional logistics hub.
- Start-up hub.
- Regional corporate hub – Hong Kong hosts nearly 8 000 overseas and

Mainland companies, including about 3 800 regional headquarters and offices.

- Hong Kong ranked the fourth easiest place in the world to do business, according to the World Bank's *Doing Business 2017 Report*.
- The city was again voted the Best Business City in the World in the *Business Traveller Asia-Pacific* magazine's 2015 readers' poll.
- *Forbes'* latest "Best Countries for Business" list ranks Hong Kong 11th out of 144 places.
- Regional communications and broadcasting hub with world-class telecommunications infrastructure.
- Free flow of information – more than 80 international media organisations have offices in Hong Kong, which serves as the regional base for *The New York Times International Edition*, *The Financial Times*, *The Nikkei*, *The Wall Street Journal* and *USA Today International*.
- Asian base for a number of major journals. There are 50 newspapers and 638 periodicals and over 800 different pay and free-to-air television channels, including *CNN International*, *BCC World*, *HBO*, *CNBC* and *Discovery Channel*.
- Over 70 of the world's 100 top banks operate in Hong Kong.
- Intellectual property is strongly protected.
- Hong Kong hosts some of the world's biggest trade fairs.

Green Hong Kong

Hong Kong people cherish the green open spaces, which serve as the city's "green lungs" as well as calming oases to relax and have fun. About 40 per cent of the territory is officially protected as country parks and special areas for nature conservation with a wide variety of flora and fauna.

Hong Kong is committed to building a greener living environment by improving air quality, promoting cleaner energy sources and reducing waste.

Arts, Culture and Creative Industries

- With a wide selection of arts and cultural events from East and West, Hong Kong is becoming an international cultural metropolis.
- The West Kowloon Cultural District, a world-class integrated arts and cultural district – which will have a variety of arts and cultural venues – is taking shape on a reclaimed 40-hectare site overlooking Victoria Harbour.
- Hong Kong is a creative powerhouse with more than 210 000 practitioners engaged in fields ranging from jewellery design to fashion, painting to publishing, interactive games to comics, advertising to architecture, and music production to performing arts.

Heritage Conservation

Hong Kong is proud of its built heritage. The Government's policy is to protect, conserve and revitalise historical and heritage sites and buildings through relevant and sustainable approaches for the benefit and enjoyment of current and future generations. Hong Kong has 114 declared monuments.

Building for the Future

Hong Kong is pushing ahead with major infrastructure projects to promote economic development and create employment opportunities.

They include:

- "One-hour living circle" – a combination of infrastructure and transport projects aims to greatly reduce travel time between Hong Kong, Shenzhen and other PRD cities.
- A blueprint to expand Hong Kong's railway network up to 2031 envisages the construction of seven new lines which, on completion, will expand the rail network to over 300 kilometres.
- New roads, railways and bridges enhance Hong Kong's connections with the Mainland, especially the PRD.
- The Hong Kong-Zhuhai-Macao Bridge, linking the three major PRD cities, is under construction.
- The Kai Tak Cruise Terminal serves the world's largest cruise liners.
- The Energizing Kowloon East initiative is transforming Kowloon East into another central business district and a leisure and sports precinct.
- The Hong Kong International Airport Three-Runway System is under construction to meet the long-term air traffic demand of Hong Kong and strengthen Hong Kong's status as an aviation hub.
- A vibrant, connected, world-class harbourfront is being developed.
- One of the world's safest large cities with a law-abiding community and a well-trained, professional police force.
- Good education facilities – 20 local degree-awarding institutions and over 50 international schools.
- Culinary paradise with 238 restaurants, ranging from deluxe restaurants to modest noodle shops, featured in the *Michelin Guide to Hong Kong and Macau 2017*.

Caring Society

- Comprehensive medical and welfare systems.
- Social security net for the less privileged and the elderly.
- 12 years of free education and about 70 per cent of young people have access to post-secondary education. Free quality kindergarten education policy will be implemented from the 2017/18 school year.
- Statutory minimum wage.
- About 45 per cent of local people live in public rental housing or subsidised sales flats.
- Pluralistic and inclusive society.
- Active and robust civil society.

Low Tax System

- Maximum salaries tax rate 15 per cent.
- Corporate profits tax rate 16.5 per cent.
- No value added or sales tax.
- No capital gains tax.
- No withholding tax on dividends and interest; no estate duty.
- Only Hong Kong-sourced income taxable; income from elsewhere is not subject to tax.

Soft Appeals

- Convenient, compact, cosmopolitan city with stunning harbour, skyline and parkland vistas – Hong Kong's easily accessible countryside features hill walks and a unique geopark.
- Many interesting islands are just a short ferry trip from urban areas.
- World-class sports events held throughout the year.
- Vibrant cultural scene with world-class cultural performances, arts and drama festivals, art exhibitions and street carnivals.