

Asia's world city

Hong Kong's high degree of connectivity, globally and with the Mainland of China, helps people and businesses achieve excellence in their chosen fields. With sound fundamentals, a strategic location, advanced soft and hard infrastructure and world-class talent, Hong Kong is Asia's world city – a place where people and businesses from around the world can connect with opportunities throughout the region.

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) 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 86 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\$110 billion (US\$14.1 billion) to promote innovation and technology (I&T) development in eight major areas: increasing resources for research and development (R&D), pooling technology talent, providing investment funding, strengthening I&T infrastructure, reviewing existing legislation and regulations, opening up government data, leading changes to procurement arrangements, and popularising science education.

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.

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 10,800 practising solicitors, over 1,500 practising barristers and over 80 registered foreign law firms under a common law jurisdiction. It is a 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 & 2 in Top 10 in Asia: Quacquarelli Symonds (QS) World University Rankings 2022: HKU (22nd), HKUST (34th), CUHK (39th); QS Asian University Rankings 2021: HKU (4th) and HKUST (8th).
- World's No.2 & No.4 EMBA programmes: Financial Times EMBA Ranking 2021: Kellogg-HKUST EMBA programme (No.2); EMBA-Global Asia, delivered jointly by Columbia Business School, London Business School and HKU (No. 4).
- Renowned international institutions have established bases in Hong Kong including 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, 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 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.

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, one of the world's busiest airports for air cargo and passengers, connects to more than 200 destinations by around 120 airlines.
- Hong Kong Port is among the busiest and most efficient container ports in the world, handling about 18 million TEUs in 2020. Every week, about 280 container vessel sailings connect to over 600 destinations worldwide.
- Hong Kong has sophisticated ICT infrastructure, including 11 submarine cable systems and 11 satellites for communications. Several submarine cable systems will be ready in the coming two to three years, enhancing the city's connectivity with other parts of the world.
- XRL connects Hong Kong to 58 short- and long-haul destinations in the Mainland's high-speed rail network.
- 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.
- There are currently 8 land-based control points serving cross-boundary passengers between Hong Kong and the Mainland. The newest one, the Heung Yuen Wai Boundary Control Point, was commissioned in August 2020. With capacity to handle up to 30,000 passengers and 17,850 vehicles per day, this new boundary control point enhances connectivity to eastern Guangdong and further boosts the flow of people and business between Hong Kong and the Mainland.
- Easy Internet access: over 73,000 public Wi-Fi access points in the territory (as at end-September 2021); mobile subscriber penetration rate of 306.4% (as at end-June 2021); household broadband penetration rate of 96.3% (as at end-July 2021).

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.

- More than 130 initiatives in the Smart City Blueprint for Hong Kong 2.0 focusing on "Smart Mobility", "Smart Living", "Smart Environment", "Smart People", "Smart Government", "Smart Economy", "Use of I&T in Combating COVID-19" and "Smart Village Pilots".

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\$7 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 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 second-most business-friendly tax system, according to a ranking of 190 economies, by PricewaterhouseCoopers and the World Bank.
- Actively facilitating the development of fintech and smart banking.

(Revision date: October 29, 2021)

OCTOBER 2021