

## Asia's world city at a glance

### Overview

With a cosmopolitan community of 7.52 million people<sup>1</sup> who enjoy the best of East and West, Hong Kong is Asia's world city.

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.

The Washington-based Heritage Foundation has ranked Hong Kong the world's freest economy for 25 consecutive years.

Hong Kong also retained its ranking as the world's freest economy among 162 economies across the globe in Canada's Fraser Institute's *Economic Freedom of the World: 2019 Annual Report*.

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 October 2019, there were 62 Consulates-General, 57 Honorary Consulates and six Officially Recognised Bodies in Hong Kong.
- Chinese and English are official languages.

### On Top of the world

- The "Activity Inequality" study, carried out by a team at Stanford University, ranked Hong Kong people as the world's most active. On average people in Hong Kong walked 6,880 steps per day.
- Hong Kong people enjoy the world's longest life expectancies: In 2018, the expectation of life at birth was 87.7 years for females and 82.3 years for males.

### International Business Hub

- Free flow of capital, free trade, free market.
- No foreign exchange controls.
- Simple and low tax system.
- Level playing field – local and international companies compete on an equal footing.
- Prime location at the mouth of the Pearl River Delta (PRD).
- Hong Kong ranked second globally in the *World Competitiveness Yearbook 2019* published by the Switzerland-based International Institute for Management Development.
- One of the world's most service-oriented economies, with the service sector accounting for more than 90 per cent of GDP.
- Hong Kong has been among the top five global Initial Public Offerings (IPO) raising markets in the past decade, ranking first from 2009 to 2011, 2015, 2016 and 2018. In 2018, Hong Kong ranked first in the world, with funds raised amounting to US\$36.7 billion.
- Hong Kong ranked the first for initial public offerings (IPOs) and mergers and acquisitions (M&As) activity, according to the *Global Transactions Forecast 2019* report by global law firm Baker McKenzie in conjunction with Oxford Economics.
- World's largest offshore Renminbi (RMB) pool. At April 2019, RMB deposits and certificates of deposit in Hong Kong totalled more than RMB645.6 billion.
- International aviation and maritime centre and regional logistics hub. The Hong Kong International Airport (HKIA) has been the world's busiest cargo hub since 2010. In 2018, HKIA handled 5.1 million tonnes of air cargo.
- Regional corporate and start-up hub – Hong Kong is home to more than 9,000 overseas and Mainland companies, including over 4,000 regional headquarters and offices, and around 3,200 startups operating in major public and private co-work spaces and incubators.
- Hong Kong ranked the third easiest place in the world to do business, according to the World Bank's *Doing Business 2020 report*.
- Hong Kong was voted the "Best Business City in Asia" at the Business Traveller Asia-Pacific Awards 2018.
- *Forbes' "Best Countries for Business 2018"* survey ranked Hong Kong the third globally out of 161 places or the first among Asian economies.
- Regional communications and broadcasting hub with world-class telecommunications infrastructure.
- Free flow of information – Hong Kong hosts nearly 90 international media organisations including major broadcasters, newspapers and news agencies. Overall, 80 daily newspapers, 557 periodicals and over 800 local and overseas television channels, including CNN International, BBC World, HBO, CNBC, and the Discovery Channel are available.
- Over 70 of the world's 100 top banks operate in Hong Kong.
- Hong Kong ranked the third in the *Global Financial Centres Index* issued by the Z/Yen Group in September 2019.
- Hong Kong ranked the first in Asia and second in the Asia-Pacific region for corporate governance, according to the

<sup>1</sup>provisional figure as at mid-2019

*CG Watch 2018: Hard decisions report.*

- Intellectual property is strongly protected.
- Hong Kong hosts some of the world's biggest trade fairs, including those for electronics, watches and clocks, gifts, lighting, and jewellery.

## Green Hong Kong

Hong Kong people cherish their green spaces, which serve as the city's "green lungs" as well as calming oases to relax and have fun. About 40% of the land of this territory is officially protected as country parks and special areas for nature conservation.

Hong Kong is blessed with a huge diversity of flora and fauna – including over 240 species of butterflies, about 120 species of dragonflies, close to 200 species of freshwater fish, over 100 species of amphibians and reptiles, over 500 species of birds, more than 50 species of mammals. The Chinese white dolphin and Romer's tree frog are just two of the rare species found in Hong Kong.

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 40-hectare site overlooking Victoria Harbour. The Xiqu centre, the first venue, opened in January 2019.
- Hong Kong is a creative powerhouse with more than 134,000 practitioners engaged in fields ranging from different professions of design and fashion design to publishing, interactive games to animation and comics, advertising to architecture, and music to film and TV production.

## 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 120 declared monuments, including historic buildings, ancient forts, rock carvings and archaeological sites.

## 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.
- *The Sustainable Cities Mobility Index 2017*, which examined how 100 cities across the world are addressing mobility challenges, ranked Hong Kong number one.
- Capitalising on its unique advantages, Hong Kong is playing an important role in the development of the Guangdong-Hong Kong-Macao Greater Bay Area, and the Belt and Road Initiative.
- A blueprint to expand Hong Kong's railway network up to 2031 envisages the construction of seven new railway projects.
- New roads, railways and bridges enhance Hong Kong's connections with the Mainland, especially the PRD.
- The Guangzhou-Shenzhen-Hong Kong Express Rail Link connects Hong Kong to the 25,000km national high-speed rail network, the largest such network in the world.
- The Hong Kong-Zhuhai-Macao Bridge, linking the three major PRD cities, opened in October 2018.
- The Kai Tak Cruise Terminal serves the world's largest cruise liners.
- The Energizing Kowloon East initiative is transforming Kowloon East into another core business district.
- HKIA's Three-Runway System is under construction to meet the long-term air traffic demand of Hong Kong and strengthen the city's status as an international aviation hub.
- A vibrant, connected, world-class harbourfront is being developed.

## 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.
- One of the world's safest large cities with a law-abiding community and a well-trained, professional police force.
- Good education facilities – 22 local degree-awarding institutions and over 50 international schools.
- Three universities ranked the world top 50 in the QS World University Rankings 2020 and top 10 in Asia in the University Rankings: Asia 2020 (The University of Hong Kong: 25<sup>th</sup>/3<sup>rd</sup>, The Hong Kong University of Science and Technology 32<sup>nd</sup>/8<sup>th</sup>, The Chinese University of Hong Kong: 46<sup>th</sup>/ 10<sup>th</sup>).
- Culinary paradise with many restaurants, ranging from deluxe restaurants to modest noodle shops, featured in the *Michelin Guide to Hong Kong and Macau 2019*.

## 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 has been implemented from the 2017/18 school year.
- Statutory minimum wage.
- As at the third quarter of 2018, about 45 per cent of the population reside in public rental housing or subsidised sales flats.
- Pluralistic and inclusive society.
- Active and robust civil society.