

## Hong Kong and the Belt and Road Initiative

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#### **The Belt and Road**



This preliminary map is based on the proposed geo-economic cooperation as described in the Vision and Actions on Jointly Building the Silk Road Economic Belt and 21st-Century Maritime Silk Road document. Actual routes may differ and may also extend to encompass other territories as the project develops.



Source: HKTDC



### **1. Mobilize international participation**

2. Use of market forces

3. Manage risks



#### **Regional Trade and Commerce**

Regional HQs and offices (3800)

Foreign consulates and rep offices (122)

Foreign residents (500,000)

Foreign business visitors (7 mn)

Overseas commercial offices (60+)

HK Business Association members (13,000)







#### Logistics

Free port (goods, capital, information)

Independent tariff area

Foreign economic agreements Aviation 67 countries Aviation income 30 Tax 63 Visa free 165 Free trade 20 Investment protection 30









#### **Infrastructure Services**

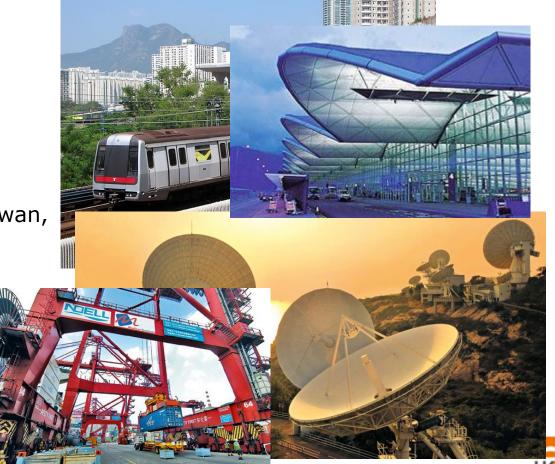
Airport (Shanghai, Hangzhou, Zhuhai)

Rail (Beijing, Shenzhen, Hangzhou, Sweden, UK, Australia)

Port (26 countries)

Power (China, India, Taiwan, Indonesia, Australia)

Telecom (Austria, Indonesia, Italy Sri Lanka, Vietnam, Sweden, Ireland, Denmark, UK)





#### **International Finance**

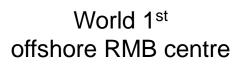
Issue and manage HK dollar

HKD freely convertible, no exchange control



Fiscal autonomy, independent tax system

Autonomy to manage and use public reserves World 1<sup>st</sup> IPO centre



World 4<sup>th</sup> forex trading centre

World 7<sup>th</sup> bank centre

Asia 2<sup>nd</sup> asset management centre



Asia 2<sup>nd</sup> private equity centre









### **Cross-border Investment**

#### Inward direct investment (end-2019 stock)

Country/area	US\$ billion
US	9,466
UK	2,075
Hong Kong	1,868
China (Mainland)	1,769
Netherlands	1,750
Singapore	1,698
Switzerland	1,351
Ireland	1,120
Canada	1,037
Germany	951
World	36,470



Source : UNTACD 2020 World Investment Report

#### **Professional Services**

- World-class legal, accounting, due diligence, business consulting, risk management services etc.
- More than half of the Global 100 law firms have presence in Hong Kong
- International accounting standards
- Asia's No.2 and Global No.8 for judicial independence (World Economic Forum)
- Asia's No. 2 and World No.11 for rule of law (World Bank)



#### The Guangdong-Hong Kong-Macao Greater Bay Area





- 1. Most open: Reinforce globalisation
- 2. Most market driven: Promote market reform
- 3. Most international: Follow global practices





# Thank You!

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