

About Hong Kong



In 1997, after 150 years of British administration, Hong Kong became a Special Administrative Region (SAR) of the People's Republic of China. Under the "One Country, Two Systems" concept negotiated between China and the UK, Hong Kong controls all aspects of its governance, except foreign affairs and defence matters.

Despite its small population and area, Hong Kong is the world's 10th largest trading economy. With more than 90 per cent of GDP coming from the services sector, Hong Kong is the world's most services-oriented economy and is one of the world's top exporters of garments, watches and clocks, toys, games and electronics products.

Hong Kong's growing role as an international financial centre is reflected by events such as the Asian Financial Forum, where distinguished business leaders and policy makers gather each year to discuss how Asia is emerging as the focus for global markets.



William Hague, the British Secretary of State for Foreign and Commonwealth Affairs, was among the global financial leaders who gathered in Hong Kong for the 2011 Asian Financial Forum

While Hong Kong remains "Asia's World City," it has also assumed a high-profile role as China's international financial window. Under the terms of China's 12th Five-Year Programme, Hong Kong is designated the country's international finance, trade and logistics centre.

For global-minded companies, Hong Kong is the preferred location for regional headquarters, particularly for those keen to reach consumer markets on the Chinese mainland. Approximately 3,600 overseas and mainland corporations have chosen Hong Kong as a base for their regional headquarters and offices. Hong Kong's airport is the world's busiest, in terms of air cargo, and has flights to some 150 overseas destinations and more than 40 mainland cities. Its seaport remains among the world's busiest cargo centres.

An international business city

Underpinning its international status is Hong Kong's robust legal system, largely based on the British system. The rule of law, upheld by an independent judiciary, is a cornerstone of Hong Kong's success, providing legal protection for business contracts and intellectual property rights.

Hong Kong also advocates and practises free trade – with a free and liberal investment regime, the absence of trade barriers, no discrimination against overseas investors, freedom of capital movement, transparent regulations, and low and predictable taxation.

For more information on Hong Kong, please visit: www.gov.hk/en/about/abouthk

Hong Kong Fast Facts

General

- Population: approximately 7 million
- Official languages: Chinese and English
- Time zone: GMT +8

Economy

- World's 10th largest trading economy
- World's freest economy (as named by the Heritage Foundation)
- 3rd largest stock market in Asia
- Largest source and 2nd largest recipient of FDI in Asia
- Asia's largest venture capital centre
- Per capita GDP of US\$32,000
- Low tax rates: 15% salaries tax, 16.5% profits tax
- No VAT, sales tax, or capital gains tax
- World's busiest airport for international cargo
- One of the world's busiest container ports
- Stable and convertible currency linked to US\$

Society

- Robust and transparent legal system
- Free trade, free market and free media
- Highly-educated workforce and entrepreneurial culture
- Preferred Asian location for regional headquarters
- Level playing field for local and international companies
- World-class communications technology and infrastructure
- Convenient, safe and cosmopolitan city

China Connections

- Unrivalled experience in doing business with China
- Largest source of foreign investment in China – 45% of China's total as of the end of 2010
- Preferential access to China market via Closer Economic Partnership Arrangement (CEPA)
- Extensive rail, road and sea and air links
- China's key offshore capital-raising centre



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