

LCQ2: Work on attracting enterprises and investments

Following is a question by the Hon Jeffrey Lam and a reply by the Acting Secretary for Commerce and Economic Development, Dr Bernard Chan, in the Legislative Council today (May 14):

Question:

In recent years, the Government has been vigorously promoting the work on attracting enterprises and investments. It is learnt that Invest Hong Kong (InvestHK) assisted a total of 539 overseas and Mainland enterprises in setting up or expanding their businesses in Hong Kong last year. In this connection, will the Government inform this Council:

(1) of the number of overseas and Mainland enterprises which InvestHK has assisted in establishing a presence in Hong Kong or setting up regional headquarters in Hong Kong since January this year; the home countries of such enterprises, as well as the industries to which they belong;

(2) of the policies and measures currently put in place by the Government in respect of land, taxation, etc. to support overseas and Mainland enterprises in establishing a presence in Hong Kong; and

(3) given that the Secretary for Labour and Welfare has pointed out at a special meeting of the Finance Committee of this Council held to discuss the Estimates of Expenditure 2025-2026 that Hong Kong Talent Engage (HKTE) would provide comprehensive one-stop support to incoming talents, of the total number of applications received by HKTE since January this year; among such applications, of the areas in which support has been provided?

Reply:

President,

After consulting the Development Bureau (DEVB), the Financial Services and the Treasury Bureau, the Labour and Welfare Bureau, as well as the Office for Attracting Strategic Enterprises (OASES), my consolidated response to the Hon Jeffrey Lam's question is as follows:

InvestHK Hong Kong (InvestHK) is responsible for promoting inward direct investment to Hong Kong by attracting Mainland and overseas enterprises to set up or expand in the city. In 2024, InvestHK assisted 539 Mainland and overseas enterprises in establishing and expanding their businesses in Hong Kong, representing an increase of over 40 per cent year on year. On a pro-rata basis, the figure well exceeded the performance indicator as set out in the 2022 Policy Address by the Chief Executive. On the other hand, the number of companies in Hong Kong with overseas or Mainland parent companies in 2024 reached a record high of 9 960. It included 1 410 regional headquarters, an increase of over 5 per cent year on year.

From January to April this year, InvestHK assisted 223 Mainland and overseas enterprises, representing an increase of 13 per cent as compared with the same period last year. These enterprises are expected to bring in direct investment of over \$22.3 billion and create over 4 900 jobs within their first year of operations or expansion. Over one-fourth of these enterprises indicated their setup of international or regional headquarters in Hong Kong. The top five places of origin of those enterprises are the Mainland, the United States, Japan, the United Kingdom and Singapore; and the top five sectors are the financial services and fintech sector, family office, innovation and technology sector, tourism and hospitality sector, and consumer products sector.

Separately, the current-term Government established OASES, which is directly under the Financial Secretary, to attract high-potential and representative strategic innovation and technology enterprises from around the globe. So far, OASES successfully attracted 84 strategic enterprises, many of which plan to establish their international or regional headquarters in Hong Kong.

InvestHK and OASES provide Mainland and overseas enterprises with one-stop customised support services, including introducing tax regime and tax concessions of Hong Kong, assisting enterprises in identifying premises for operations, and assisting them in following up on matters relating to talent admission.

In terms of tax policy, Hong Kong has been practicing a simple, territorial-based and low-tax regime. Hong Kong's profits tax rates are very competitive internationally, with the first \$2 million of profits of corporations taxed at the rate of 8.25 per cent, and the profits above that amount taxed at 16.5 per cent. Besides, tax types in Hong Kong are simple in that there is not any kind of capital gains tax, withholding tax on dividends or interest, estate duty, value-added tax, goods and services tax, nor digital services tax. The Government of the Hong Kong Special Administrative Region (HKSAR) has also been strategically utilising tax measures to facilitate the development of different industries. Tax concessions introduced over recent years have benefitted multiple industries or taxpayers, including the asset and wealth management industry, maritime industry, insurance industry, and taxpayers with intellectual property income.

In terms of assisting enterprises in identifying suitable premises, given the diverse backgrounds of enterprises, InvestHK and OASES focus on understanding and catering to the different needs of individual enterprises. In respect of land supply, the DEVB has been collaborating with InvestHK and OASES to introduce to Mainland and overseas enterprises interested in setting up in Hong Kong the distribution of existing and future economic land in the territory, including how the Government will adopt an "industry-led" approach in planning strategic projects such as the Northern Metropolis (NM). In particular, as each New Development Area in the NM has its own industry positioning, the next few years will see considerable output in development land and floor space for innovation and technology and other emerging industries, as well as industries with traditional strengths, to move in. As

for enterprises interested in setting up in Hong Kong and participating in the construction of buildings for industries, the DEVB will recommend development land for their consideration. It will also support relevant policy bureaux in exploring and adopting various modes of land disposal and land premium arrangements by giving consideration to restricted tender or direct land grant in addition to the traditional practice of open tender. When a project enters the design and construction stages, the DEVB will also provide one-stop services by co-ordinating with relevant departments to expedite approvals.

Apart from focusing on attracting enterprises and investment, the current-term Government is also dedicated to attracting talents from overseas and the Mainland. Since its establishment on October 30, 2023, the Hong Kong Talent Engage (HKTE) strives to provide comprehensive one-stop support to talents. From January to April 2025, over 45 000 new applications under various talent admission schemes were received, of which over 35 000 applications were approved. The support services provided by the HKTE to incoming talents and their families include the following:

(a) Themed seminars: To cater for the needs of incoming talents, leaders from various industries and admitted talents were invited to share career information and tips on starting a business. Since its establishment and up to end-April 2025, the HKTE has organised 33 online and offline themed seminars;

(b) Job fairs: Job fairs help job-seeking talents to match with employers direct, so as to help incoming talents to look for jobs based on their skills, making better use of their professional competencies. As at end-April 2025, the HKTE has organised, co-organised and participated in 17 job fairs in total;

(c) Enquiry and support matching services: The HKTE's online platform currently connects with about 90 designated working partners to provide talents with advice and services in respect of job matching, accommodation, education, banking and insurance services, business and corporate services, integrated settlement services as well as networking and community through online matching services. The online platform has processed over 41 000 enquiries, mainly involving matters such as talent schemes, visa and job seeking, and made around 12 000 referrals of support service requests so far;

(d) Integration activities: Participation in volunteer services allows incoming talents to strengthen their connections with the local community, thereby facilitating their better integration into local society. As at end-April 2025, the HKTE has organised, in collaboration with volunteer groups, three integration activities; and

(e) Cantonese learning classes: The classes help enhance the Cantonese speaking and listening skills of incoming talents, and assist them in understanding the local culture and customs, thereby expediting their integration into local society. As at end-April 2025, the HKTE has organised 28 Cantonese learning classes.

The HKSAR Government will continue to make every effort to attract more enterprises and talents from the Mainland and overseas.