

LCQ21: Deepening international exchanges and co-operation

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

Question:

In the country's Report on the Work of the Government this year, it was mentioned that Hong Kong must deepen international exchanges and co-operation. The Hong Kong Special Administrative Region Government is also actively attracting overseas companies to Hong Kong and helping Mainland companies go global to align with the overall development strategy of the country. In this connection, will the Government inform this Council:

(1) how it will promote alignment between Hong Kong's financial services industry and national policies to leverage Hong Kong's unique advantages, reinforce its connectivity with both the Mainland and the world, and actively promote international exchanges and co-operation; whether it will consider providing further support to financial services enterprises to expand into new markets and broaden their international networks;

(2) as it is learnt that many Hong Kong enterprises, business associations, non-profit organisations, and international trade organisations possess extensive overseas networks, whether the Government has compiled the relevant statistics; if so, of the details; how the Government will leverage the power and resources of non-governmental organisations to foster citizen diplomacy;

(3) to align with the country's overall development strategy, will the Government review and optimise the division of responsibilities and functions of different government departments or public organisations responsible for promoting trade (such as the Economic and Trade Offices, the Hong Kong Trade Development Council, Invest Hong Kong, and other overseas offices), so as to avoid overlapping structures and enable them to focus more on delivering services under existing policies;

(4) whether the Government will formulate specific policy measures to support and sponsor various enterprises and organisations to participate in industrial and commercial, and financial exhibitions, etc, in overseas countries in order to promote commercial co-operation with Middle East countries and Belt and Road countries, and to promote Hong Kong to such countries; if so, of the details; if not, the reasons for that; and

(5) whether the Government has a comprehensive plan to tell good stories of Hong Kong to the outside world through targeted publicity and promotion strategies, and to better leverage Hong Kong's international advantages to attract more international financial institutions and investors to establish

presence in Hong Kong?

Reply:

President,

Having consulted the Financial Services and the Treasury Bureau, the consolidated reply to the question raised by the Hon Robert Lee is as follows:

The Outline of the 14th Five-Year Plan for National Economic and Social Development of the People's Republic of China and the Long-Range Objectives Through the Year 2035 (14th Five-Year Plan) supports Hong Kong to enhance its status as an international financial centre, strengthen its functions as a global offshore Renminbi (RMB) business hub, an international asset management centre and a risk management centre, as well as deepen and expand the mutual access between the financial markets of the Mainland and Hong Kong.

In this regard, the Hong Kong Special Administrative Region (HKSAR) Government has been committed to deepening the interface of Hong Kong's financial services industry with national policies in accordance with the 14th Five-Year Plan. For example, in terms of mutual market access, the Stock Connect has made some breakthroughs over the past few years, including the inclusion of exchange-traded funds and the addition of eligible stocks of foreign companies primarily listed in Hong Kong. This has become the most reliable channel for international investors to access the Mainland securities market. In terms of global offshore RMB business, at present, Hong Kong has the world's largest offshore pool of RMB funds, currently processing about 80 per cent of global offshore RMB payments. On attracting Mainland enterprises to list in Hong Kong, as driven by a series of listing enhancement measures, there are currently over 1 480 Mainland enterprises listed in Hong Kong. The Hong Kong Exchanges and Clearing Limited (HKEX) has established listing avenues for new economy with weighted voting rights structures, and specialist technology companies as well as the technology enterprises channel, with a view to accurately addressing the financial service demands of Mainland's emerging innovation and technology industries and leveraging Hong Kong's strengths to serve our country's needs.

We also continue to deepen exchanges and co-operation with the global financial community, actively strengthen and expand our circle of friends with the global community, organise major financial events of global significance such as the Asian Financial Forum, the Wealth for Good in Hong Kong Summit and the Global Financial Leaders' Investment Summit, in a bid to further enhance the voice and influence of our country and Hong Kong in the international financial community and showcase to the international investors the strengths and opportunities of Hong Kong as an international financial centre.

In addition, the HKSAR Government, regulators and the HKEX are committed to promoting Hong Kong's financial services industry, securities market and

fundraising platform to overseas and Mainland enterprises and investors (including target markets such as the Middle East and the Association of Southeast Asian Nations regions), through organising and participating in different thematic flagship summits, outreach activities, thematic roadshow events, etc, with a view to strengthening Hong Kong's linkage with overseas and Mainland markets, fostering financial market co-operation, as well as facilitating the local financial services industry to open up new markets.

We will continue to deepen and step up our efforts to seize the national development opportunities, bringing more new opportunities to the industry and continuing to contribute to our country's development as a financial powerhouse.

On the other hand, the HKSAR Government has been actively promoting the sustainable development of Hong Kong as an international trade centre through diversified measures. The global trade landscape and geopolitics are rapidly changing, with parts of the supply chains shifted to the Global South and Belt and Road (B&R) countries, while Mainland enterprises are also proactively establishing their presence abroad. Hong Kong's rich experience in international trade and world-class professional services will be of assistance to such Mainland enterprises in re-deploying their global supply chains. According to the 2024 Policy Address, Invest Hong Kong (InvestHK) and the Hong Kong Trade Development Council (HKTDC) set up in December 2024 a high value-added supply chain services mechanism for attracting Mainland enterprises to establish international or regional headquarters in Hong Kong for managing offshore trading and supply chain, and providing one-stop professional advisory services for enterprises in Hong Kong looking to go global. The mechanism is conducive to Hong Kong's economic development on the one hand, and facilitates the deepening of its international exchanges and co-operation on the other hand, thus responding to meet Premier Li Qiang's expectations for Hong Kong, as set out in his work report this year, integrating into the overall national development while making contribution to the country.

Besides, the HKSAR Government will continue to organise a number of outbound missions to B&R markets to assist Hong Kong enterprises and professional services to further explore business opportunities and build long-lasting collaborative relationships with relevant local enterprises and organisations. We will also continue to actively organise various major events to promote Hong Kong's advantages and facilitate business matching and project participation between Hong Kong and B&R countries. In addition, the HKTDC's overseas network has already covered the major markets along the B&R, including regions of the Middle East. By leveraging its global network, the HKTDC will continue to launch diversified outreach activities, information platforms, large-scale international exhibitions and conventions, to highlight Hong Kong's opportunities and role as a two-way business and investment platform, and facilitate the co-operation among enterprises of the Mainland and Hong Kong, investors and professional service providers, as well as the project owners from B&R countries.

For overseas exhibitions activities, the HKSAR Government strives to

encourage and provide funding support for non-listed Hong Kong enterprises to upgrade and restructure, enhance competitiveness of enterprises as well as sectors and conduct promotional activities through various funding schemes and measures, including the Dedicated Fund on Branding, Upgrading and Domestic Sales, the SME Export Marketing Fund and the Trade and Industrial Organisation Support Fund. Enterprises/organisations could apply for funding to participate in promotional activities such as exhibitions in markets outside Hong Kong to develop their businesses. The HKTDC has also been actively leading Hong Kong companies to participate in large-scale exhibitions overseas and set up Hong Kong pavilions in selected large-scale exhibitions. In addition, the HKTDC offers preferential participation rates and a range of value-added services, including the arrangement of business matching meetings, for Hong Kong companies to grasp the opportunities to promote their products and services.

Currently, the HKSAR Government has 14 overseas Hong Kong Economic and Trade Offices (ETOs). Together with the offices of the HKTDC and InvestHK worldwide, Hong Kong has set up offices in 68 cities around the world, covering 129 countries, including emerging markets. The ETOs, InvestHK's Dedicated Teams for Attracting Businesses and Talents based in the ETOs and its consultant offices in other locations, as well as the HKTDC's offices are responsible for different aspects of work, while collaborating from time to time to generate synergy. The trio promote bilateral economic and trade relations between Hong Kong and overseas economies. InvestHK and the HKTDC mainly serve the business community. InvestHK is responsible for promoting inward direct investment to Hong Kong. Through its teams based in Hong Kong, the Dedicated Teams for Attracting Businesses and Talents based in the ETOs, as well as consultant offices in other locations, the department has all along been reaching out to a wide spectrum of companies in different sectors and industries around the world to attract and assist them to set up or expand their businesses in Hong Kong, and offering one-stop customised support services, from the planning to implementation stages. As for the HKTDC, it is responsible for trade promotion as well as facilitating, assisting and developing trade in Hong Kong. Through organising international exhibitions, conferences and business missions, the HKTDC creates business opportunities in the Mainland and international markets for Hong Kong enterprises. The ETOs are committed to maintaining close communication and exchanges with the international community and overseas stakeholders in different sectors (including government officials, think tanks, media organisations, academics, cultural and business groups and other key opinion leaders in countries under their purview), promoting and explaining the HKSAR Government's important policies and Hong Kong's unique advantages under "one country, two systems", with a view to telling the good stories of Hong Kong and promoting economic and trade development between Hong Kong and overseas.

Meanwhile, the ETOs will strengthen ties and co-operation with foreign chambers of commerce in Hong Kong and the local political and business sectors, and take the opportunity of the latter's overseas visits to collaborate in promoting Hong Kong's latest developments and major policy measures through different forms of activities, and jointly tell the good stories of Hong Kong from multiple perspectives.