

LCQ3: Developing Hong Kong into East-meets-West centre for international cultural exchange

â€‹Following is a question by the Hon Nixie Lam and a reply by the Acting Secretary for Culture, Sports and Tourism, Mr Raistlin Lau, in the Legislative Council today (Oct 30):

Question:

There are views pointing out that Hong Kong, as one of the world's top three art auction markets, enjoys advantages such as zero tariff, low tax rate, convenient transportation and strong financial integration capabilities. In recent years, more and more family offices have also included artworks as an investment option. In this connection, will the Government inform this Council:

(1) given that the National 14th Five-Year Plan has expressed unequivocal support for developing Hong Kong into an East-meets-West centre for international cultural exchange, thereby reinforcing Hong Kong's leading position in the international arts market, whether the authorities will formulate measures such as tax concessions and rent concessions, so as to attract more international and Mainland auction houses and art galleries to set up physical outposts in Hong Kong; if so, of the details; if not, the reasons for that;

(2) given that the Policy Declaration on Developing Family Office Businesses in Hong Kong, issued by the Government in March last year, stated that the Airport Authority Hong Kong was actively studying the establishment of storage, display and appreciation facilities for art and treasures at the Hong Kong International Airport, so as to provide transport and storage facilitation for global art investors, of the progress of the relevant project, as well as the timetable for future work; and

(3) of the measures in place to attract more top art talents as well as Mainland and overseas young collectors to engage in Hong Kong's contemporary art market, build up an international art exchange platform to connect international galleries and local collectors, as well as attract Mainland and overseas emerging young artists to Hong Kong, so as to support rich and diverse cultural creations and promote the diversified development of the local arts ecology?

Reply:

President,

With the clear support in the National 14th Five-Year Plan, the Government takes forward various policy measures on all fronts, with a view

to realising the strategic positioning of Hong Kong as an East-meets-West centre for international cultural exchange. Hong Kong possesses a unique background as a cultural melting pot of East and West, extensive international connections, as well as large-scale arts and cultural facilities developed one after the other, attracting the local and non-local industries to organise and participate in major cultural and creative events. All these contribute to the creation of a comprehensive ecosystem for the arts, culture and creative industries in Hong Kong, in which art trading is one of the components. In consultation with the Commerce and Economic Development Bureau and the Transport and Logistics Bureau, my reply to the question raised by the Hon Nixie Lam is as follows:

(1) In recent years, the trading of artworks has become one of the important components for the development of arts, culture and creative industries. Hong Kong's favourable business environment, low tax regime as well as efficient transportation and logistics systems, together with the aforementioned factors, have contributed to the robust development of our art trading market over the years. According to the statistics of the Census and Statistics Department, the total trade value of works of art, collectors' pieces and antiques reached around HK\$105.5 billion in 2023, making Hong Kong one of the world's top three art trading centres, which is a remarkable achievement.

The Government has been actively attracting renowned cultural and museum organisations from the Mainland and overseas to Hong Kong. At present, Hong Kong is the home to a number of globally acclaimed galleries, auction houses and art fairs. The world's top three art and antiques auction houses have set up their Asia-Pacific headquarters in Hong Kong. Further to the establishment of the Asian headquarters of auction houses of Phillips and Sotheby's in Hong Kong last year, Christie's, another international auction house, has also opened its new Asia Pacific headquarters in Hong Kong in 2024, consolidating Hong Kong's status as an international art trading centre.

Invest Hong Kong (InvestHK) assists enterprises that are interested in setting up and expanding businesses in Hong Kong, including auction houses and art galleries, and offers one-stop customised support services from the planning to implementation stages. The services offered include providing market information, facilitation of visa applications, introduction to business partners and service providers and so on. InvestHK also provides aftercare support services, including developing and organising outreach activities and programmes in Hong Kong and overseas, conducting strategic discussions with key stakeholders and assisting enterprises to explore and evaluate new growth areas and opportunities ahead.

The Culture, Sports and Tourism Bureau officially launched the Mega Arts and Cultural Events (ACE) Fund in 2023 to support international and large-scale arts and cultural events organised by the private sector or non-governmental organisations to be held in Hong Kong. Apart from the internationally acclaimed Art Basel Hong Kong and Art Central, the ART021 HONG KONG Contemporary Art Fair originated from the Mainland was also staged for the first time in Hong Kong in August and September 2024. These fairs bring together international galleries from different countries, attracting tens of thousands of art lovers from all over the world to participate in art

appreciation and trading events in Hong Kong, promoting the development of Hong Kong's art market.

As proposed by the Chief Executive in the 2024 Policy Address, the West Kowloon Cultural District Authority (WKCD) will take a leading role in establishing an industry chain for the arts and culture and creative industries of Hong Kong. In particular, leveraging the unique advantages of the West Kowloon Cultural District (WKCD) as both a world-class cultural hub and an integrated cultural and commercial development, the WKCD will promote the creation of an art trading ecosystem in Hong Kong to build up the strengths of Hong Kong in art trading, including proactively attracting major auction houses and art galleries in and outside Hong Kong.

The Government will continue to leverage Hong Kong's advantage of enjoying strong national support while maintaining unparalleled connectivity with the world, and attract more renowned cultural and museum organisations from the Mainland and overseas to Hong Kong.

(2) The Government will plan with the Airport Authority Hong Kong (AAHK) for expanding the scale of the Airport City, building a new, world-leading landmark. New projects include creating an ecosystem for the arts industry that integrates art creation, appreciation, exhibition, trading and storage. The AAHK will formulate a development plan for the expanded Airport City in the first half of 2025 and announce development details of the new projects at that time.

(3) The Government has been creating an enabling ecosystem for arts, cultural and creative sectors through various policies and measures. At present, Hong Kong is home to a number of important commercial platforms for the arts, cultural and creative industries, including the globally acclaimed Art Basel in the field of visual arts, and the Hong Kong International Film and TV Market which provides business opportunities for filmmakers and investors. As for performing arts, the inaugural Hong Kong Performing Arts Expo concluded two weeks ago with a great success, providing exchange and business opportunities for performing arts productions and creative talents from all over the world. The WKCD is committed to building platforms for international arts and cultural exchange and has organised the first-ever Hong Kong International Cultural Summit in March 2024, which attracted over 2 000 participants from the global arts and cultural sector. These art exchange platforms attract collectors, art talents and art lovers from the Mainland and overseas to come to Hong Kong for cultural exchanges and participation in Hong Kong's art market. All these would promote the vibrant development of the art market in Hong Kong.

In addition, with a view to attracting arts and cultural talents to Hong Kong, the Government has included various arts and cultural professions under the Talent List, including arts promoters, conservators for movable cultural heritage, performing arts professionals in arts technology as well as creative industries professionals in publishing, film, music and digital entertainment, to allow quality arts and cultural talents from all over the world to come to Hong Kong more easily. Through the "Immigration Facilitation Scheme for Visitors Participating in Short-term Activities in Designated

Sectors", we also provide immigration facilitation for short-term visitors participating in arts and cultural activities organised by the Government and other authorised host organisations in Hong Kong by waiving the requirement to apply for employment visas or entry permits, thereby attracting more high-calibre arts talents from overseas to Hong Kong for exchanges.

The Government will continue to nurture talents and, at the same time, attract arts and cultural talents to provide a fertile training ground for further elevating the standard of arts, culture and creative industries.

â€‹Thank you, President.