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Hong Kong the best Place for business

HK the best place for business: Joseph Wong

Hong Kong's competitive advantages, coupled with its ties with Guangdong, Pan-Pearl River Delta co-operation and Closer Economic Partnership Arrangement, have made it the world's best place for doing business, Secretary for Commerce, Industry & Technology Joseph Wong says.

He told companies in Sydney today Hong Kong is attracting more investment and more business than ever before.

As at June 1, there were well over 3,800 regional headquarters or offices in Hong Kong. On average, one foreign-owned company is setting up a regional headquarters or office in Hong Kong every week. Foreign direct investment inflows remain robust, reaching nearly A\$17.5 billion in this year's first quarter, Mr Wong said.

Competitive edge

"We have successfully preserved and strengthened our competitive advantages from a 'barren rock' to a British colony and to a special administrative region of China when Hong Kong was reunified with its Motherland in 1997. The unique 'one country, two systems' is working well. All these factors that have made Hong Kong such an attractive place for foreign investors down the years - rule of law; clean governance; a simple, low tax regime; unfettered flow of information and capital; level playing field; lack of government interference - remain intact.

"We have developed into an important service-based economy, and we are an international centre of commerce, finance and transportation."

Mainland advantage

He noted the Hong Kong-Guangdong combination has resulted in the PRD developing into one of the world's leading manufacturing centres, with Hong Kong providing the capital, management, technology, market knowledge and access to

international markets and cities in the delta offering world-class low-cost manufacturing, and access to a new, demanding consumer base.

On Pan-PRD co-operation, Mr Wong said it is a high priority for Hong Kong to work towards a unified and open market in the region.

"Making up one-fifth of China's land mass, the Pan-PRD has grown exponentially over the past few years. It has a combined population of 450 million, which is as big as the EU, and GDP of A\$835 billion, which is over 40% of China's total output and larger than most of the world's economies," he added.

Turning to CEPA, Mr Wong stressed it is World Trade Organisation-compliant - but many benefits go beyond WTO commitments and are not yet being offered to other economies. However, people and businesses of all nationalities in Hong Kong benefit from CEPA.

Tomorrow, Mr Wong will meet with senior Australian government officials before flying to Cairns to attend the WTO informal ministerial meeting on Friday.