

HONG KONG FILES

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ASIA'S WORLD CITY



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Financial Secretary announces 2018-19 Budget



The Financial Secretary, Mr Paul Chan, delivers the 2018-19 Budget in the Legislative Council on February 28.

Financial Secretary (FS) Paul Chan said in his budget speech on February 28 that Hong Kong achieved a GDP growth of 3.8% in 2017 due to the better-than-expected outturn in the external environment, higher than the average trend growth rate of 2.9% over the decade from 2007 to 2016. The economy was projected to grow by 3%-4% in 2018.

The labour market remained in full employment, with the jobless rate averaging at 3.1% in 2017. The inflation rate would remain low, with forecast of the underlying inflation rate at 2.5% in 2018.

Budget Strategy

“The Government will proactively promote economic development by providing favourable conditions for emerging industries such as I&T and identifying growth opportunities on the one hand, and strengthening the competitiveness of the pillar industries on the other, so that our economy will prosper in a sustained and diversified manner, creating quality jobs for our young people.”

Major Budget Initiatives (* All currency quoted in Hong Kong dollar)

Diversified Economy

Innovation and Technology

- Focus on 4 areas: biotechnology, artificial intelligence (A.I.), smart city and financial technologies
- Set aside **\$20** billion for the first phase of the Hong Kong-Shenzhen Innovation and Technology Park in the Lok Ma Chau Loop
- Inject **\$10** billion into the Innovation and Technology Fund to support applied research and development
- Earmark **\$10** billion for the establishment of two research clusters on healthcare technologies and on A.I. and robotics technologies, to attract top scientific research institutions and technology enterprises
- Allocate **\$10** billion to upgrade facilities of the Science Park and enhance support for enterprises in the Park
- Allocate **\$200** million to Cyberport to enhance support for start-ups, and another **\$100** million to develop e-sports



Financial Services Industry

- Set aside a dedicated provision of **\$500** million to develop financial services industry
- Launch a Pilot Bond Grant Scheme to attract local, Mainland and overseas enterprises to issue bonds in Hong Kong; and continue to issue Silver Bonds in 2018 and 2019
- Launch a green bond issuance programme for Government's green public works projects to promote green finance
- Launch a Faster Payment System to provide real-time, round-the-clock, cross-institution payment and fund transfer service



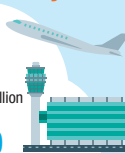
Tourism

- Allocate **\$226** million for the Hong Kong Tourism Board to implement the Development Blueprint for Hong Kong's Tourism Industry to broaden markets and attract high value-added overnight visitors
- Allocate **\$310** million to support Ocean Park in developing education and tourism projects
- Allocate **\$30** million for enhancing the Pilot Information Technology Development Matching Fund Scheme for Travel Agents



Trading and Logistics Industry

- Expand trade, investment and tax treaty networks to open up new markets
- Consider redeveloping the Air Mail Centre at the Hong Kong International Airport and set aside **\$5** billion for the project
- Cap trade declaration charge at **\$200** to enhance competitiveness and develop high-value added logistics services



Business and Professional Services

- Enhance the network of ETOs to open up new opportunities
- Inject **\$1.5** billion into the Dedicated Fund on Branding, Upgrading and Domestic Sales and enhance the relevant programmes, to boost SMEs' competitiveness
- Provide a total of **\$250** million to Hong Kong Trade Development Council to assist local enterprises in seizing opportunities arising from the Belt and Road Initiative and Bay Area, and to promote development of e-commerce



Construction Industry

- Set up a **\$1** billion Construction Innovation and Technology Fund to support the industry to harness innovative technology

Creative Industries

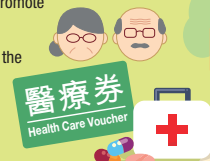
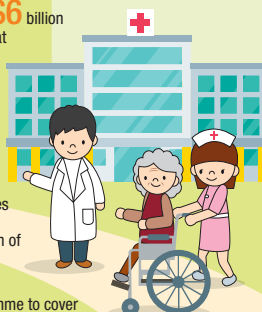
- Inject **\$1** billion into the CreateSmart Initiative to support development of the creative industries



Enhancing Liveability

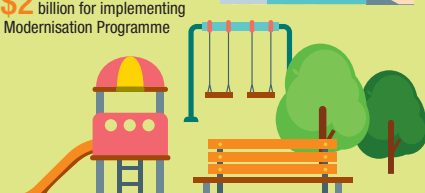
Healthcare

- Allocate additional recurrent funding of nearly **\$6** billion to Hospital Authority in 2018-19, and ensure that it has adequate resources to employ all local medical graduates; allocate **\$200** million to enhance the healthcare professional training
- Set aside **\$300** million to support the second 10-year hospital development plan, improve facilities of Department of Health's clinics, and upgrade healthcare teaching facilities
- Provide a one-off additional **\$1,000** worth of elderly health care vouchers, involving an expenditure of **\$796** million
- Extend the Colorectal Cancer Screening Programme to cover individuals aged between 50 and 75, involving a total expenditure of **\$940** million over the coming 5 years
- Establish a **\$500** million fund to promote development of Chinese medicine
- Set aside **\$500** million to support the improvement of patient's co-payment mechanism for purchasing drugs



District Facilities

- Set aside **\$8** billion, to be coordinated by the Home Affairs Bureau, for improving facilities in 18 districts
- Earmark **\$2** billion for implementing a Market Modernisation Programme



Arts and Culture

- Set aside **\$20** billion for the improvement and development of cultural facilities, include the construction of the New Territories East Cultural Centre, expansion of the Hong Kong Science Museum and Hong Kong Museum of History; and allocate **\$500** million for acquisition of museum collections and holding exhibitions
- Inject an additional **\$500** million into the Art Development Matching Grants Pilot Scheme; and allocate a total of about **\$370** million to support arts groups and artists
- Allocate **\$300** million to strengthen promotion of Intangible Cultural Heritage of Hong Kong



Sports

- Inject another **\$5** billion into the Elite Athletes Development Fund
- Inject **\$1** billion into the sports portion of the Arts and Sport Development Fund for training and hosting competitions
- Allocate **\$500** million for a Major Sports Events Matching Grant Scheme to encourage business sponsorship for large-scale sports events
- Allocate **\$100** million to launch a District Sports Programmes Funding Scheme to encourage wider community participation



Caring and Sharing

- Reduce profits tax for Year of Assessment 2017-18 by **75%**, subject to a ceiling of **\$30,000**
- Provide an extra allowance to recipients of CSSA, Old Age Allowance, Old Age Living Allowance or Disability Allowance, equal to **2** months of the standard rate; similar arrangements will apply to Low-income Working Family Allowance and Work Incentive Transport Subsidy
- Invite the Community Care Fund to consider providing short-term relief for low-income households not living in public housing and not receiving CSSA (commonly known as the "N have-nots households")
- Set aside **\$15** billion to effect the abolition of the MPF "offsetting" arrangement
- Reduce salaries tax and tax under personal assessment for Year of Assessment 2017-18 by **75%**, subject to a ceiling of **\$30,000**
- Provide a one-off grant of **\$2,000** to each student in need
- Pay the examination fees for candidates sitting for the 2019 Hong Kong DSE Examination
- Waive rates for **4** quarters of 2018-19, subject to a ceiling of **\$2,500** per quarter for each rateable property
- Allocate an additional million to improve rehabilitation services, including those for persons with disabilities, mentally handicapped persons and ex-mentally ill persons **\$660**
- Allocate a total of about **\$220** million to strengthen care for children and disadvantaged youths
- Earmark **\$500** million to strengthen support for ethnic minorities
- Allocate about **\$500** million from the Lotteries Fund to provide social work services in all aided child care centres, kindergartens and kindergarten-cum-child care centres; and increase resources for primary schools to ultimately achieve the target of "one school social worker for each school"
- Implement measures on elderly services proposed in Policy Address, involving recurrent provision of about **\$1,263** million and non-recurrent expenditure of about **\$2,229** million

Budget Strategy

"We care for and share with the community by enhancing support for the disadvantaged and enabling members of the public to enjoy the fruits of our economic success."

Reducing Tax Burden on Individuals

- Increase the basic and additional child allowances to **\$120,000**
- Increase allowance for maintaining a dependent parent or grandparent aged between 55 and 59 to **\$25,000**
- Increase allowance for maintaining a dependent parent or grandparent aged 60 or above to **\$50,000**
- Increase deduction ceiling for elderly residential care expenses to **\$100,000**
- Introduce a personal disability allowance of **\$75,000**

Current Tax Band and Tax Rate for Salaries Tax

Chargeable income	Marginal Tax rate
First \$45,000	2%
Next \$45,000	7%
Next \$45,000	12%
Remainder	17%
Standard Rate	15%

Proposed Tax Band and Tax Rate for Salaries Tax

Chargeable income	Marginal Tax rate
First \$50,000	2%
Next \$50,000	6%
Next \$50,000	10%
Next \$50,000	14%
Remainder	17%
Standard Rate	15% (Unchanged)

The above proposals will reduce the tax burden of 1.34 million taxpayers

Nurturing Talent

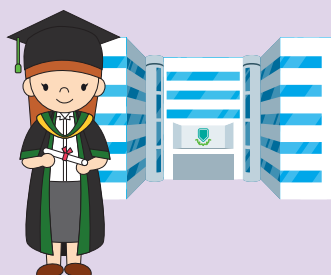
- Provide additional **\$2** billion recurrent expenditure to strengthen support for teachers, kindergartens, integrated education and life-wide learning
- Allocate **\$2.5** billion for the Matching Grant Scheme to support the 10 publicly-funded post-secondary institutions
- Provide **\$2** billion to expedite installation of lifts in public sector schools
- Inject **\$800** million into both the Gifted Education Fund and the HKSAR Government Scholarship Fund to enhance the development of gifted students and increase the number of scholarships respectively
- Earmark **\$2.5** billion to set up a Student Activities Support Fund to support students in need to participate in life-wide learning activities

Continuing Education

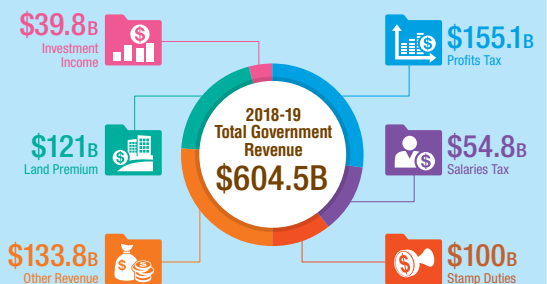
- Further inject an additional **\$8.5** billion into the Continuing Education Fund, and raise the subsidy ceiling to **\$20,000** per applicant

Youth Development

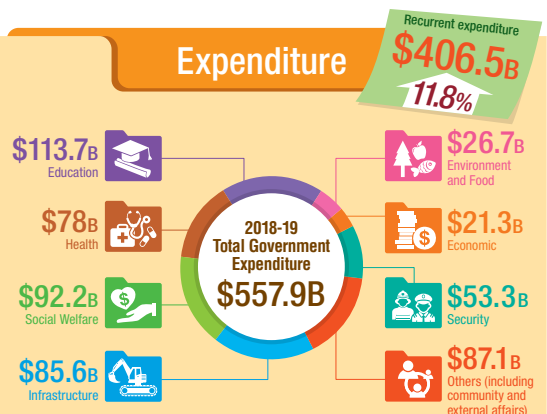
- Set aside **\$1** billion to support the work of the Youth Development Commission



Revenue



Expenditure



Chief Executive's visit to Indonesia

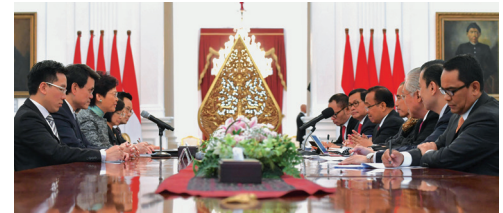
The Chief Executive of Hong Kong Special Administrative Region (HKSAR), Mrs Carrie Lam, accompanied by the Secretary for Commerce and Economic Development, Mr Edward Yau, visited Jakarta, Indonesia from April 24 to 26 to enhance Hong Kong's collaboration with Indonesia and ASEAN.

On April 25, Mrs Lam met with Indonesia President Joko Widodo at Merdeka Palace, Central Jakarta. They exchanged views on issues of mutual concern and agreed to strengthen the co-operation between the two places on various aspects. With Hong Kong's active participation in the Belt and Road Initiative, Mrs Lam would encourage more Hong Kong enterprises and professional services to go to Indonesia, while the HKSAR Government would share its wealth of experience in such aspects as city management, maintaining a clean government, etc. She also welcomed more Indonesian students to study in Hong Kong to enhance people-to-people bonds. Mrs Lam appealed for support of Indonesia for Hong Kong's participation in the Regional Comprehensive Economic Partnership which is under negotiation.

Other officials attending the meeting include Mr Yau; Indonesia's Minister of State Secretary, Mr Pratikno; Cabinet Secretary, Mr Pramono Anung; Minister of Foreign Affairs, Mrs Retno LP Marsudi; Minister of Trade, Mr Enggartiaso Lukita; Minister of Manpower, Mr Hanif Dhakiri, and Chairman of Indonesia Investment Coordinating Board, Mr Thomas Lembong.

During her visit, Mrs Lam also attended the "Indonesia-Hong Kong Strategic Partnership on the Belt and Road Initiative" luncheon co-organised by the Hong Kong Trade Development Council (HKTDC); the Chinese General Chamber of Commerce, Hong Kong; and Indonesian Chamber of Commerce and Industry. Speaking at the luncheon, she reviewed the achievements in co-operation between Hong Kong and Indonesia over the past year, including the signing of several Hong Kong-Indonesian Memorandums of Understanding. Mrs Lam also promoted Hong Kong's unique advantages under "One Country, Two Systems", low tax rate and excellent professional services.

Other programmes of Mrs Lam's visit included visiting the ASEAN Secretariat to learn about its operation, meeting with the Chinese Ambassador to ASEAN, Mr Huang Xilian and the Chinese Ambassador to Indonesia, Mr Xiao Qian, and visiting the Hong Kong Economic and Trade Office (HKETO) in Jakarta.



The Chief Executive, Mrs Carrie Lam (right in top photo), meets with the President of Indonesia, Mr Joko Widodo, at Merdeka Palace, Central Jakarta, Indonesia.



Mrs Lam speaks at the "Indonesia-Hong Kong Strategic Partnership on the Belt and Road Initiative" Seminar and Luncheon and exchanges views with members of the HKTDC delegation.



Mrs Lam (ninth left) and Mr Yau (eleventh left), accompanied by Director-General of the HKETO in Jakarta, Mrs Do Pang Wai-ye (tenth left), visit the HKETO in Jakarta to learn about its operation.



Mrs Lam (right), accompanied by the Deputy Secretary-General of the ASEAN, Dr AKP Mochtan (left), visits the ASEAN Secretariat in Jakarta, Indonesia.



Mrs Lam (centre), accompanied by Mr Yau (left), calls on the Chinese Ambassador to Indonesia, Mr Xiao Qian (right).



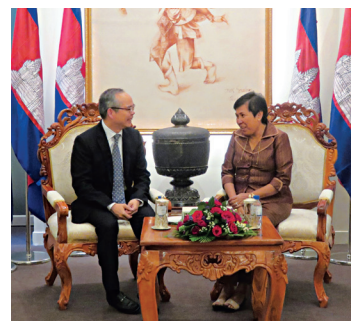
Mrs Lam (left), calls on the Chinese Ambassador to the ASEAN, Mr Huang Xilian (right).

Secretary for Home Affairs in Cambodia and Thailand

The Secretary for Home Affairs, Mr Lau Kong-wah, visited Phnom Penh, Cambodia and Bangkok, Thailand from February 26 to March 1.

In Cambodia, Mr Lau met with the Minister of Culture and Fine Arts, Dr Phoeurng Sackona, in Phnom Penh to explore ways to strengthen cultural connections between Hong Kong and Cambodia. He also visited the National Museum of Cambodia.

In Thailand, Mr Lau called on the Minister of Culture, Mr Vira Rojpojchanarat, in Bangkok and inked the Memorandum of Understanding on Cultural Co-operation between Hong Kong and Thailand to strengthen cultural connections. He also met with the Advisor to the Minister of Tourism and Sports of Thailand, Mr Apichart Chirabandhu, to conduct exchanges on promoting sports development. In addition, Mr Lau visited the Sports Authority of Thailand, Bangkok National Museum and the Ratchadamnoen Contemporary Art Centre.



Mr Lau (left) meets with the Minister of Culture and Fine Arts of Cambodia, Dr Phoeurng Sackona (right), in Phnom Penh, Cambodia.



Mr Lau (back row, fifth left) signed a Memorandum of Understanding on Cultural Co-operation with the Minister of Culture of Thailand, Mr Vira Rojpojchanarat (back row, fifth right) in Bangkok, Thailand.



Mr Lau (right) visits the Bangkok National Museum.

Mr Lau also brought along nine talented musicians from Hong Kong to perform in Bangkok. Led by erhu player Chan Pik-sum and harmonica player CY Leo, the ensemble put up a performance themed “Beyond Boundary Beyond Time” at the China Cultural Center in Bangkok on February 28, winning big applause from a 300-plus audience.

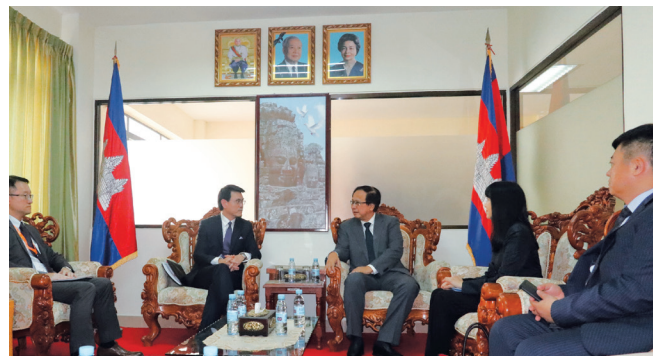


Nine Hong Kong musicians showcase their musical talent in Bangkok.

Secretary for Commerce and Economic Development in Cambodia and Vietnam

In search of business opportunities along the Belt and Road (B&R) countries, the Secretary for Commerce and Economic Development, Mr Edward Yau, led a 48-strong Hong Kong delegation comprising businessmen and professionals to Phnom Penh, Cambodia, as well as Ho Chi Minh City (HCMC) and Hanoi, Vietnam from March 19 to 23.

In Phnom Penh, the delegation met with the Minister of Commerce of Cambodia, Mr Pan Sorasak, to discuss trade and economic co-operation between the two places. They also met with Cambodia Chamber of Commerce to explore co-operation opportunities and attended a briefing by the Council for the Development of Cambodia to learn about the investment policy and latest investment environment.



Mr Yau (second left) meets with the Minister of Commerce of Cambodia, Mr Pan Sorasak (third left).



Mr Yau (fifth right) and Hong Kong delegation members after attending a briefing by the Council for the Development of Cambodia.

Over to Vietnam, Mr Yau met with the Prime Minister of Vietnam, Mr Nguyen Xuan Phuc, in Hanoi to exchange views on trade collaboration and the implementation of the ASEAN-HK Free Trade Agreement signed in November 2017. The delegation also met with representatives of the HCMC Export Processing and Industrial Zones Authority before touring the industrial park. They were briefed by the Investment & Trade Promotion Center of HCMC on the latest investment situation.

Mr Yau spoke at two business luncheon seminars held in Phnom Penh and HCMC to promote Hong Kong as the gateway, springboard and crucial link in all ventures under the B&R Initiative for Cambodian and Vietnamese companies. He explained Hong Kong's abundant and unparalleled advantages under "One Country, Two Systems", and expertise in a wide array of professional services including legal, accounting, insurance, consultancy, arbitration and project financing. He appealed to the local business sector to partner with Hong Kong in exploring new business opportunities.



Mr Yau (left) meets with the Prime Minister of Vietnam, Mr Nguyen Xuan Phuc, in Hanoi, Vietnam.



Mr Yau speaks at a business luncheon seminar entitled "Hong Kong: Your Partner in Exploring New Business Opportunities" to appeal for collaboration between business sectors of the two places.



Mr Yau leads the Hong Kong delegation to visit an industrial park in HCMC.

Under Secretary for Commerce and Economic Development in Singapore

Under Secretary for Commerce and Economic Development, Dr Bernard Chan, participated in the Economic Ministers Roundtable of the 15th ASEAN Leadership Forum (ALF) held in Singapore on April 28. Themed "Shape of Future Economic Integration – Making ASEAN More Relevant and Resilient to Business and Small and Medium Enterprises (SMEs)", Dr Chan shared with some 300 participants various initiatives of the HKSAR Government in support of SMEs, which included funding schemes, promotion and networking events under the Belt and Road Initiative.



Dr Chan (right in left photo, fourth right in right photo) takes part in the discussion at the Economic Ministers Roundtable of the 15th ALF, alongside his counterparts from Singapore, Myanmar, Cambodia, Laos and UK.

Taking the opportunity of attending the Forum, Dr Chan made new contacts and discussed with his ASEAN counterparts to reinforce Hong Kong-ASEAN relations. He also delivered welcome remarks at the gala dinner hosted by the Hong Kong Economic and Trade Office (HKETO) in Singapore for participants of the ALF in the evening.



Dr Chan (fourth left in left photo) has fruitful exchanges with other economic ministers on the sidelines of the Forum. The HKETO in Singapore hosted a Gala Dinner with Emeritus Senior Minister of Singapore, Mr Goh Chok Tong (second left, first row in right photo), as Guest of Honour.

Chinese New Year Receptions

Singapore

To greet the Year of the Dog, the HKETO in Singapore hosted a Chinese New Year Gathering for some 130 guests from the diplomatic, business, academic, media and Hong Kong community circles on March 5. The evening event was held at the iconic Asian Civilisations Museum, a unique historical building housing Singapore's Asian heritage.

The event was kicked off by the traditional "Lo Hei" to symbolise "tossing up good fortune". With hearty laughter and exchanges of blessings filling the air, the gathering served as an ideal networking platform for interlocutors and friends of the HKETO. Director of the HKETO in Singapore, Mr Bruno Luk, took the opportunity to brief the guests on Hong Kong's latest economic situation, give an overview of the city's 2018-19 Budget, and thank all of them for their continuous support.



Director of the HKETO in Singapore, Mr Bruno Luk (third left), pictured with President of Hong Kong Singapore Business Association, Mr Dennis Chiu (fourth right); President of Kowloon Club, Mr Philip Chan (third right); and Director of HKTDC Singapore Branch, Ms Vivienne Chee (second right), among other guests.

The HKETO in Singapore sponsored the Chinese New Year Celebration Dinner 2018, which was jointly organised by Thai-Hong Kong Trade Association and Hong Kong Ladies Group in Bangkok, Thailand on February 27. Leveraging the joyous occasion which was well attended by 270 guests, the HKETO has renewed ties with major stakeholders in Bangkok.

Thailand



A wonderful evening celebrating the Chinese New Year with toasting ceremony and special live performance by young Hong Kong musicians.

Indonesia

On February 28, the HKETO in Jakarta and the Hong Kong Trade Development Council held a Chinese New Year Reception in Jakarta, Indonesia. Featuring distinctive elements of Chinese and Indonesian cultures, the audiences were enthralled by the dance and guzheng performances, as well as the joyous arrival of the God of Fortune. The event was attended by more than 200 guests, including representatives from the Indonesian government, interlocutors, work counterparts and Hong Kong people living in Jakarta.



The Chinese New Year Reception in Jakarta features traditional lion dance and other performances with rich elements of Indonesian and Chinese cultures.



God of Fortune entertains the guests who exchange well wishes for the New Year.



Officiating guests host the "Lo Hei" ceremony symbolising prosperity and propose a toast on the stage.



The HKETO in Jakarta sponsored the Chinese New Year Receptions organised by the Hong Kong-Malaysia Business Association in Kuala Lumpur on March 7 and Penang on March 8, Malaysia respectively. Around 500 guests joined the reception in Kuala Lumpur and 120 guests joined the one in Penang. Director-General of the HKETO in Jakarta, Mrs Do Pang Wai-yee, summarised the work of the ETO, and reiterated the benefits arising from the Free Trade Agreement and Investment Agreement between Hong Kong and ASEAN. She also highlighted the key initiatives and pro-business measures announced by the Financial Secretary of the HKSAR Government in his 2018-19 Budget.

Malaysia



Guests pose for a group photo at the Chinese New Year Reception in Kuala Lumpur.

The Philippines

The HKETO in Jakarta participated in a Chinese New Year dinner in Manila, the Philippines, organised by the Hong Kong Chamber of Commerce in the Philippines on February 26. The HKETO took the opportunity to promote Hong Kong, refresh ties with counterparts and extend their network in the country.



Hong Kong Musical - *Shooting Star*

Shooting Star, a Hong Kong musical presented by Spring-Time Experimental Theatre, was staged in Singapore on April 7. Sponsored by the HKETO in Singapore, the musical showcased Hong Kong's theatrical artists and soft power in performing arts to some 800 audiences, including 250 guests of the HKETO.

The story of the musical was based on the lives of Cantopop singers Leslie Cheung and Danny Chan as well as veteran DJ Paul Chung. Three new generation musical talents from Hong Kong presented over 40 golden songs of Leslie and Danny during the two-hour performance. Director of the HKETO in Singapore, Mr Bruno Luk, hailed the musical for being a successful example of Hong Kong-Singapore collaboration in which theatrical talents from both places were featured.



Mr Luk and HKETO guests meet the cast after the musical.

Before the performance, producer of *Shooting Star* Clifton Ko held an interactive sharing session with students, alumni and teachers from the Nanyang Academy of Fine Arts on his experience of theatrical production.



Business Seminars in Malaysia

On March 7, the HKETO in Jakarta with the support of Invest Hong Kong and SME Corporation Malaysia organised a business seminar highlighting the advantages of doing businesses in Hong Kong, especially for small and medium-sized enterprises (SMEs). Given the various support measures launched by the HKSAR Government for SMEs, the participants were enthusiastic to learn more about Hong Kong and discussed matters covering Hong Kong's tax rates, funding schemes for SMEs and licensing matters for setting up businesses.

Another presentation was arranged for members of the Malaysian Bar to underscore Hong Kong's role as a facilitator and service provider under the Belt and Road Initiative. The recently signed FTA and Investment Agreement between Hong Kong and ASEAN and the Belt and Road Initiative would induce enormous cross border business and investment opportunities and projects, which in turn generate huge demand for professional services, including legal services.



The HKETO in Jakarta organised a business seminar, with the support of Invest Hong Kong and SME Corporation Malaysia, to highlight the advantages of doing businesses in Hong Kong.

International Capital Market Forum in Singapore



Director of the HKETO in Singapore, Mr Bruno Luk, delivered the opening address for the session on Hong Kong Capital Markets of the International Capital Markets Forum organised by PwC on February 5. Mr Luk highlighted to some 160 representatives from the business and professional services sector Hong Kong's latest developments and government policies on enhancing the city's business advantages, leveraging the institutional advantage of "One Country, Two Systems". Having the strengths of being an international financial centre and tapping its connectivity with ASEAN countries, especially after the signing of the ASEAN-Hong Kong Free Trade Agreement in 2017, Hong Kong is well positioned to fully participate in the Belt and Road Initiative and foster closer relationship with ASEAN region.

Visiting Groups from Hong Kong

Singapore

From January to April, the HKETO in Singapore received six visiting groups from Hong Kong, comprising more than 150 members or students from International Youth Legal Exchange Federation, Islands District Youth Development Network, International Youth Exchange Programme under the Home Affairs Bureau, Hong Kong Baptist University, Hong Kong University of Science and Technology, and Sham Shui Po District Council.

In the briefings for these groups, Director of the HKETO in Singapore, Mr Bruno Luk, gave an overview on Hong Kong's economic and trade relations with the ASEAN countries, the city's role under the Belt and Road Initiative, functions of the HKETO, and opportunities presented by the ASEAN Internship Scheme for Hong Kong Higher Education Students.



Jakarta

On January 9, the HKETO in Jakarta and the Hong Kong Trade Development Council (HKTDC) hosted a briefing in Jakarta for a visiting student delegation from Wofoo Leaders' Network from Hong Kong. Over 20 students participated in the briefing. In addition to understanding the work of HKETO and HKTDC in Indonesia, they also learnt about the close bilateral relations between Indonesia and Hong Kong, and the vast opportunities under the Belt and Road Initiative.



HK ranked 1st for economic freedom again

Hong Kong was ranked by the US-based Heritage Foundation as the world's freest economy for the 24th consecutive year. In the 2018 Index of Economic Freedom report, Hong Kong's overall score improved by 0.4 point to 90.2 compared to last year, making it the only economy with an overall score of more than 90. The city obtained top scores in Fiscal Health, Business Freedom, Trade Freedom and Financial Freedom.

The Foundation recognised Hong Kong's economic resilience, high-quality legal framework, low tolerance for corruption, high degree of government transparency, efficient regulatory framework and openness to global commerce.

Welcoming the rating, the Financial Secretary, Mr Paul Chan, said the free market principles had long been the cornerstones of Hong Kong's economic prosperity and international competitiveness. "Noting the keen competition across the globe, the Government pledged to uphold Hong Kong's strengths, including the rule of law and judicial independence, a simple and low tax system, an open and free trade regime and a level-playing field for all businesses, as well as to inject new impetus for economic growth by promoting innovation and technology development, and forging closer economic and trade ties with other economies", Mr Chan added.



COMMENTS / SUGGESTIONS

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