

## Hong Kong rated as world's second freest economy

Hong Kong was ranked No.2 in the 2020 Index of Economic Freedom by the Heritage Foundation (the Foundation) in a report which was released on March 17 analysing the level of economic freedom of 180 economies. Hong Kong attained the highest score among other assessed economies in terms of "Fiscal Health", "Business Freedom", "Trade Freedom" and "Financial Freedom", though its overall score decreased by 1.1 points from the previous year due primarily to a decline in the "Investment Freedom" score, which was mainly due to security issues arising from the social unrest in the latter half of 2019. Despite not being able to retain its rank as the world's freest economy title after 25 successive years, Hong Kong is continually recognised for its various strengths and noted to have remained a dynamic global financial centre with a high degree of competitiveness and openness by the Foundation.

## World Justice Project reaffirms Hong Kong's position in the Rule of Law Index



Hong Kong maintained its ranking as No.5 in the East Asia and Pacific region and No.16 globally in the latest Rule of Law Index released by the World Justice Project in March this year. In the "Absence of Corruption" category, Hong Kong improved one rank to eighth globally. The city also improved one rank in the global rankings of "Civil Justice" and "Criminal Justice", scoring well in "No corruption" and "Impartial and effective alternative dispute resolutions". Hong Kong moved up two ranks, standing at second regionally and globally in the "Order and Security" category. It is worth noting that despite the social turmoil in the second half of 2019, our solid foundation of rule of law remains intact and the fundamental rights are well protected by the Basic Law. Hong Kong's core competitiveness and our fundamentals in the rule of law remain strong.

## Hong Kong remains one of the top 10 leading international financial centres



Hong Kong was ranked No.6 in the Global Financial Centres Index Report published by the Z/Yen from the United Kingdom and the China Development Institute from Shenzhen. Among the five areas of competitiveness (namely Business Environment, Human Capital, Infrastructure, Financial Sector Development, and Reputational and General) as mentioned in the Report, Hong Kong enjoyed high ranking especially in Business Environment and Human Capital. Despite the challenging socio-economic situation in the latter half of 2019, Hong Kong's financial system remains resilient. Different facets of the financial services sector continue to function in an orderly manner. The Linked Exchange Rate System has been operating smoothly. There have been no notable outflows of funds.

### COMMENTS / SUGGESTIONS

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