# Hong Kong — An ICT Hub

## Pro-Business Environment

1. Hong Kong is the world's freest economy, characterised by free trade, free market, free flow of capital and a stable currency with no foreign exchange control. Hong Kong consistently performs well in international rankings, e.g. by the Fraser/Cato, World Economic Forum and International Institute for Management Development, and is renowned as a free, well-connected and competitive economy with robust ICT infrastructure.

2. Hong Kong's simple and predictable tax regime provides an attractive business environment for investment.

3. Freedom of information with no censorship on content transmission provides a congenial environment for the development of web-based business such as content, media, big data, cloud computing and Internet of Things.

## Sound Legal System

4. The rule of law is a defining attribute of Hong Kong. It ensures a level playing field for all. Civil rights and private ownership of property are protected by law.

5. Contracts are legally enforceable. Contractual disputes are resolved in a fair and legal manner through our independent Judiciary, which is guaranteed by the Basic Law, Hong Kong's Constitution. Other dispute resolution mechanisms are equally trustworthy. The awards issued by our International Arbitration Centre are enforceable in 170 jurisdictions and reciprocally enforceable between Hong Kong and the Mainland.

6. Intellectual property rights are protected by the Copyright Ordinance and are rigorously enforced. This encourages innovation and creativity which is cardinal to ICT-related businesses, such as media, content, games and application developments.

7. The Personal Data (Privacy) Ordinance ensures the protection of personal data for their collection, use and transfer. This provides the assurance needed for the development of Internet-based business, in particular ICT applications, creative media and content.

8. The Electronic Transactions Ordinance provides a clear legal framework for the conduct of secure e-business.

## Strategic Location

9. Hong Kong is geographically close to some of Asia's booming markets, such as Mainland China and Southeast Asia. An international aviation hub, Hong Kong is well-connected to different parts of the world.

## Robust ICT Infrastructure

10. Hong Kong is a leading digital economy, consistently achieving top rankings in digital readiness and Internet access capabilities. Our telecommunications infrastructure is one of the most sophisticated and advanced in the world, providing a wide range of services at affordable prices.

11. Hong Kong has a vibrant external telecommunications market, with a total of 12 external submarine optical fibre cable systems, 21 overland optical fibre cables and 9 communications satellites connecting Hong Kong with places around the world. The existing and planned capacity of the external telecommunications facilities are expected to meet the medium to long-term external telecommunications demand in Hong Kong.

12. Our fully liberalised regime enables the development of a vibrant market of international and local Internet service providers, making Hong Kong an Internet hub.

⇨ Our broadband networks cover nearly all commercial and residential buildings in the territory. Our household broadband penetration rate is 99.2%[#].

⇨ Our mobile penetration rate of 327.9%[*] is among the highest in the world.

⇨ Number of mobile users capable of gaining access to mobile data services (2.5G/3G/4G/5G) stands at

[#] as at June 2022
[*] as at May 2022

24.3 million[#], with mobile data usage amounting to 5 350 Megabytes per user[#].

⇨ Our median download speed over fixed broadband at 179.58 Mbps is among the fastest in the world.

⇨ Hong Kong is a well-connected city with free public Wi-Fi service available in most public places, including major parks, tourist attractions, leisure & culture facilities. No prior registration is required.

13. Hong Kong places heavy emphasis on online security. We have set up the Hong Kong Computer Emergency Response Team Coordination Centre (HKCERT) to coordinate responses to computer security incidents, promote information security and take preventive measures against Internet security threats.

## Economic Partnership with Mainland China

14. The Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) enables easier access to the Mainland market for Hong Kong-made products and Hong Kong-based service companies. The liberalisation measures under CEPA also apply to foreign companies with business presence in Hong Kong.

15. Under CEPA, Hong Kong service suppliers (HKSS) can set up wholly-owned enterprises in the Mainland to provide software implementation services and data processing services. HKSS can also establish joint venture enterprises to operate various types of value-added telecommunications services, and enjoy national treatment in Guangdong Province for the provision of computer and related services. Foreign investors can partner with HKSS to provide various types of ICT services in the Mainland.

## Research and Development

16. Hong Kong has set up world-class technological infrastructure and facilities to help nurture the development of technology-intensive clusters. The Hong Kong Applied Science and Technology Research Institute (ASTRI), the Cyberport and the Hong Kong Science & Technology Parks are some of them.

## ICT Talents

17. Hong Kong has a pool of agile, skilled and multi-lingual ICT professionals. As at 2018, there are around 95 780 ICT professionals engaged in various business sectors, around 32% of them are involved in software design and development. Our tertiary institutions produce over 2 300 ICT graduates every year.

18. We welcome professional experts from around the world to work in Hong Kong. We can also easily source scientific and technical expertise from the Mainland as and when required.

19. English is the main language of business in Hong Kong and many people speak English, Cantonese and Putonghua (Mandarin). They have a good understanding of international and Mainland business practices and protocols.

## Smart Hong Kong

20. Hong Kong is a smart city and has extensively adopted sensor technologies and big data analytics to monitor traffic flow, detect landslide risks, identify potential maintenance issues of city facilities such as water pipes and improve municipal management. We also release data in digital formats through our public sector information portal at data.gov.hk to enable creative re-use. Many innovative applications have been developed using such data, allowing better decision-making, bringing convenience to the public, enhancing the quality of living as well as creating opportunities for ICT entrepreneurs.

## Vibrant Startup Ecosystem

21. Recent years see the burgeoning of tech startups. The Hong Kong Science & Technology Parks and Cyberport, implement incubation programmes providing all-rounded assistance to startups, ranging from accommodation, promotion, mentorship to pitching opportunities. There are over 120 private-sector co-working spaces, incubators and accelerators supporting over 3 700 startups in Hong Kong.

22. Hong Kong's tech startups are making great strides. While some of them have taken root in the local market, some have successfully ventured out to overseas markets. Many startups have secured funding from local and overseas investors. Being a leading financial centre with a highly developed ICT sector, Hong Kong is an ideal hub for aspiring FinTech startups. Both the public and private sectors are embarking on initiatives to foster the development of FinTech startups.

## ICT-Empowered Inclusive Society

23. Hong Kong implements a comprehensive digital inclusion programme to enable needy groups like the elderly and persons with disabilities to leverage technological advancements to improve their quality of life and connect with society. We implement a vigorous Web Accessibility Campaign to facilitate persons with disabilities to access online information and services easily. We also provide funding and support for the development of mobile apps for different needy groups.