

[HKETO Berlin hosts webinar on Hong Kong's role in global financial market \(with photo\)](#)

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, today (June 18, Berlin time) discussed global trends in the world of finance during a webinar organised by the Hong Kong Economic and Trade Office, Berlin (HKETO Berlin) and joined by more than 80 entrepreneurs and business executives from Switzerland. He also spoke on how Swiss businesses can benefit when tapping into the financial market in Hong Kong, in particular in the areas of green finance and private wealth management.

The webinar started with welcoming remarks from the President of the Swiss – Hong Kong Business Association (SHKBA), Dr Esther Nägeli, and the Chairman of the Swiss Bankers Association (SBA), Mr Herbert Scheidt, who shared their insights on the financial market as well as opportunities in Hong Kong from the Swiss entrepreneurs' perspective. The webinar was co-organised by the SBA and the SHKBA, and supported by the Hong Kong Trade Development Council.

During his presentation, Mr Hui updated the audience on Hong Kong's latest developments in the financial market and highlighted the territory's competitive edge as a leading international financial centre, in particular the resilience and robust performance of the financial market in the face of COVID-19 challenges.

The financial sector has all along been Hong Kong's fundamental strength, employing about 277,000 people (7.6 per cent of the workforce) as of 2020 and contributing 21 per cent to Hong Kong's GDP directly in 2019.

However, the city does not rely on its traditional strengths alone. "As demonstrated by the Chief Executive's commitment to achieve carbon neutrality for Hong Kong by the year 2050, we take green finance and sustainable development seriously and set concrete plans for ourselves," Mr Hui said. To finance government green projects as part of the efforts to achieve that target, in the next five years the Hong Kong Government plans to issue government green bonds totalling US\$23 billion depending on market situations, and will also issue retail green bonds for the very first time. This new and emerging market trend would present tremendous opportunities for Swiss financial businesses seeking sustainable investment options.

Hong Kong is the premier fund management hub in Asia, with its asset and wealth management business at the end of 2019 amounting to about HK\$28.8 trillion. The development of the Guangdong-Hong Kong-Macao Greater Bay Area presents new opportunities for the city's financial services sector, consolidating Hong Kong's role as the gateway connecting the Mainland of China and global financial markets. With the growing population of high-net-

worth individuals in Mainland China and the region, Swiss private wealth management businesses play a strong role with their longstanding experience in this market.

Mr Hui also provided examples of what Hong Kong is doing in concrete terms to unlock new opportunities in this emerging market. "Preparation for the implementation of a cross-boundary Wealth Management Connect scheme and setting up of after-sales service centres for Hong Kong insurers are in full steam," Mr Hui said.

These new initiatives in the areas of green finance and private wealth management will certainly create new business opportunities for the Swiss side. In particular, the Mainland and Hong Kong Closer Economic Partnership Arrangement gives Hong Kong's financial service providers and professionals greater market access and flexibility in their Mainland expansion. As a result, Swiss financial firms developing their business in Hong Kong enjoy preferential treatment in entering the Mainland market in various service areas.

There are many more reasons why Hong Kong is an attractive location for Swiss companies. Public and private funds, irrespective of whether they are onshore or offshore, can enjoy profits tax exemption at the fund level subject to certain conditions. In August 2020, the Government also established a limited partnership fund regime to attract private equity funds to domicile and operate in Hong Kong.

About HKETO Berlin

HKETO Berlin is the official Hong Kong Special Administrative Region Government representative in commercial relations and other economic and trade matters in Switzerland as well as Austria, the Czech Republic, Germany, Hungary, Poland, the Slovak Republic and Slovenia.

