

# Hong Kong ranks as the world's freest economies

The Fraser Institute published the Economic Freedom of the World 2024 Annual Report (2024 Report) today (October 16). Hong Kong ranks as the world's freest economies among 165 economies, up by one place from last year. Among the five areas of assessment in the 2024 Report, Hong Kong ranks top in "Freedom to trade internationally" and "Regulation", and its ranking in "Sound money" rises to third globally.

A spokesman for the Hong Kong Special Administrative Region (HKSAR) Government said, "For long, Hong Kong has fully leveraged the advantages of a free market, and maintained a free, open, effective and fair business environment. The ranking fully reflects the international recognition of these advantages."

"Hong Kong's free market and premier business environment are attributable to our distinctive institutional strengths of the 'one country, two systems' arrangement, including the practice of the common law system, robust rule of law, a judiciary that exercises powers independently, free flow of goods and factors of production such as capital, talent, and information, a simple tax system and low tax rates, a conducive business environment as well as efficient and transparent markets, a regulatory regime that adheres to international standards, among others. These factors have made Hong Kong an ideal city for doing business.

"Indeed, over 9 000 overseas and Mainland companies have chosen Hong Kong as their base to fully leverage Hong Kong's roles and functions as a 'super connector' and a 'super value-adder'. The current-term HKSAR Government has been proactively attracting enterprises to settle in Hong Kong and talent to come to Hong Kong for development, and the response has been overwhelmingly positive. Since the end of 2022, more than 100 prominent innovation and technology enterprises from around the world have decided to establish or expand their businesses in Hong Kong. These enterprises would invest a total of more than \$50 billion in the city, creating more than 15 000 jobs. In the first nine months this year, Invest Hong Kong also assisted 470 Mainland and overseas enterprises to establish or expand their businesses in Hong Kong, up by around 57 per cent from the same period last year. In terms of attracting talent, from the end of 2022 to September this year, over 380 000 applications were received under various talent schemes, of which nearly 240 000 were approved, and around 160 000 people have arrived in Hong Kong. These figures underscore Hong Kong's strong appeal to both overseas and Mainland enterprises and talent.

"Looking forward, with the staunch support of the country, we will proactively integrate into the overall national development, align with national development strategies, maintain and improve a free and open business environment, and continue to serve as a two-way springboard for

attracting international enterprises to Hong Kong and supporting Mainland enterprises to 'go global'. The Policy Address delivered by the Chief Executive today has set out clear directions, as well as specific and impactful policies and measures to reinforce and enhance Hong Kong's status as an international financial, shipping and trading centre, build itself into an international hub for high-calibre talent, develop new quality productive forces tailored to local conditions, and foster collaboration with the Greater Bay Area, so as to further enhance Hong Kong's development momentum, and promote the high-quality development of Hong Kong's economy.

As to references on Hong Kong's economic and other freedoms in the 2024 Report, the spokesman emphasised, "The HKSAR Government protects the rights and freedoms of Hong Kong residents in strict accordance with the Constitution and the Basic Law, and the interests of enterprises and investors are also fully safeguarded in accordance with the law. According to various surveys, foreign businesses in Hong Kong generally have confidence in Hong Kong's rule of law. The HKSAR Government hopes that future assessments in Economic Freedom of the World can fully reflect the relevant facts."