

Keynote speech by SITI at seminar “How Global Start-ups Succeed in Asia through Hong Kong’s Innovation Ecosystem?” of VivaTech 2024 in Paris (English only) (with photos)

Following is the keynote speech by the Secretary for Innovation, Technology and Industry, Professor Sun Dong, at the seminar "How Global Start-ups Succeed in Asia through Hong Kong's Innovation Ecosystem?" of VivaTech 2024 in Paris today (May 24, Paris time):

Shirley (Special Representative for Hong Kong Economic and Trade Affairs to the European Union, Ms Shirley Yung), Silas (Regional Director, Europe, Central Asia and Israel of the Hong Kong Trade Development Council (HKTDC), Mr Silas Chu), Chris (Director, France, Spain and Portugal of the HKTDC, Mr Chris Lo), distinguished speakers, guests, ladies and gentlemen,

Good morning. Bonjour. It is my great pleasure to join you all today at VivaTech 2024, Europe's largest tech event here in the romantic and beautiful city of Paris.

This year marks the 60th anniversary of the establishment of China-France diplomatic ties, and the Paris Olympic Games will officially begin just in two months. It makes me particularly excited to visit Paris this special year, and on this special occasion, I would like to shine a spotlight on Hong Kong and show the world how this Pearl of the Orient is transforming into an international innovation and technology (I&T) centre.

Hong Kong's ever-growing start-up scene

Start-ups are the engine of innovation, the source of jobs and talent, the spirit of entrepreneurship, and the future of economic growth. According to the Global Start-up Ecosystem Report 2023, Hong Kong ranks the second in the world and the first in Asia in the top 100 emerging ecosystems, and is the only Asian city in the top 10. As of 2023, the number of start-ups in Hong Kong reached about 4 300, an increase of one-third as compared to 2019. Among them, a quarter of the start-up founders are non-locals, and founders from France account for 10 per cent of them. As "Asia's world city" with an increasingly vibrant I&T ecosystem, Hong Kong has so much to offer.

Proactive government initiatives

Similar to the France 2030 plan, which aims to develop industrial competitiveness and future technologies, the Hong Kong SAR (Special Administrative Region) Government promulgated the Hong Kong Innovation and Technology Development Blueprint in December 2022 to establish a clear

development path and systematic strategic planning for Hong Kong's I&T development over the next five to 10 years, charting Hong Kong in moving full steam towards our vision of developing into an international I&T centre.

To realise our grand vision, we have been adopting a multipronged approach to perfect our I&T ecosystem and promote industry development of strategic importance, including life and health technology, AI (artificial intelligence) and data science, as well as new energy and advanced manufacturing industries. We value the potential and contributions of start-ups. Let me share with you why Hong Kong is one of the best destinations for global start-ups to thrive and flourish.

Strong R&D (research and development) capability promoting global I&T collaborations

The greatest asset of Hong Kong's I&T development is our strong research capability. As a knowledge-based society, Hong Kong is the only city in the world housing five of the world's top 100 universities. We are also home to two world's top-40 medical schools. Hong Kong is an R&D powerhouse and an active promotor of global I&T collaboration. We support global start-ups with readily available sources of R&D capabilities, knowledge and talent, as well as a vibrant I&T culture and atmosphere.

Yesterday, I got a chance to visit the renowned Institut Pasteur, which has been collaborating with the University of Hong Kong on infectious disease research projects for nearly 25 years with remarkable achievements. Yet, this is just one example among many global R&D collaborations taking place in Hong Kong. Under our flagship R&D initiative, InnoHK, a total of 29 research laboratories have been set up by 30 world-renowned universities and research institutes under two research clusters focusing on AI and robotics, and health technologies respectively, to conduct high-quality collaborative research. Our ultimate goal is to translate global innovations into values, and I believe that this is also the aspiration of many start-ups.

Comprehensive support to start-ups with a business friendly environment

We are also committed to providing comprehensive support to start-ups at different stages of their development. Like many start-up incubators and accelerators here with us today, the two I&T flagships in Hong Kong, namely the Hong Kong Science Park and the Hong Kong Cyberport, play a vital role in nurturing and supporting start-ups in Hong Kong through various entrepreneurship schemes and incubation programmes, providing infrastructure, technical and funding support for their start-ups. For example, Science Park's Corporate Venture Fund and Cyberport Macro Fund have altogether attracted more than HK\$14.3 billion, equivalent to around 1.7 billion euros, of private investment over the years. Together with other government and private investment funds, there are multifundraising channels for start-ups.

Funding aside, Hong Kong also offers a simple tax system with a low tax rate, a mature legal system and robust IP protection regime, world-class logistics and infrastructure, and a bilingual working culture with flexible and hard-working people. All these favourable factors create a business-

friendly environment for start-ups to grow, expand and succeed in Hong Kong.

The bridge connecting East and West

Enjoying the dual advantages under "one country, two systems" and strategic location on the doorstep of Mainland China, Hong Kong is well positioned to be the bridge connecting East and West. Its prime location puts Hong Kong within a five-hour flight of most major cities and markets in Asia and half the world's population. In other words, setting up a business in Hong Kong gives you much more than just a single market, but an ideal gateway to the gigantic market in the Greater Bay Area, Mainland China and Asia with boundless opportunities.

In addition to markets, a solid industry chain and supply chain are also essential for start-ups. You may wish to know that the Shenzhen-Hong Kong-Guangzhou science and technology cluster continues to rank second in the world for the fourth consecutive year in the Global Innovation Index 2023. With a stable supply of talent and materials, the prospects and synergies of the Greater Bay Area will be unlimited.

To capitalise on Hong Kong's I&T strength and advantages, we are moving at full steam to develop I&T infrastructure in the Hong Kong Park of Shenzhen-Hong Kong Innovation and Technology Co-operation Zone located in the Lok Ma Chau Loop, and at the same time attracting representative tech enterprises from mainland and overseas to set root or expand their business in Hong Kong.

Concluding remarks

Ladies and gentlemen, innovation knows no boundaries and opportunities are within reach. I hope my sharing today can give you a refreshing idea of Hong Kong's ever-growing start-up scene. In addition, I visited the "So French So Innovative" Pavilion at InnoEX, the annual flagship I&T event in Hong Kong and I was deeply impressed by the I&T showcase of the French exhibitors. There is indeed so much we can do together in AI, green, waste management, climate change and so on. We welcome start-ups and enterprises from France as well as from all over the continent to set up or expand their businesses in Hong Kong. I am sure that the Hong Kong Trade and Development Council, and our Economic and Trade Offices in Europe will be more than happy to connect you with Hong Kong. Let us join hands to embark on an I&T journey across borders.

In closing, may I wish VivaTech another year of great success and everyone here a fruitful exchange. Merci beaucoup.

