

# LCQ1: Work of Invest Hong Kong

Following is a question by Dr the Hon So Cheung-wing and a reply by the Secretary for Commerce and Economic Development, Mr Algernon Yau, in the Legislative Council today (December 18):

Question:

There are views pointing out that Invest Hong Kong (InvestHK) plays an important role and has significant responsibilities in the work on attracting enterprises and investments, and it is learnt that InvestHK has been undertaking a number of new projects in recent years, including establishing FamilyOfficeHK, supporting the Office for Attracting Strategic Enterprises, assessing the financial assets and investment of applicants for the New Capital Investment Entrant Scheme, mobilising enterprises to capture opportunities amid the Belt and Road Initiative, participating in the Pan-  
□Greater Bay Area Inward Investment Liaison Group to promote the investment of global priority markets in the Guangdong-Hong Kong-Macao Greater Bay Area, and promoting Hong Kong as a leading destination for entrepreneurship and innovation of start-ups through StartmeupHK. In this connection, will the Government inform this Council:

(1) of the total number of current and new projects undertaken by InvestHK, and the specific responsibilities and contents of such projects; whether it has assessed if the existing manpower of InvestHK is sufficient to cope with the new work, and whether there is a need for additional manpower;

(2) of the division of work between InvestHK and the Hong Kong Trade Development Council in respect of the work on attracting enterprises and investments; and

(3) whether it will consider enhancing the powers and responsibilities of InvestHK and establishing a higher-level structure to better coordinate and enhance Hong Kong's work on attracting enterprises and investments in a comprehensive manner?

Reply:

President,

According to the latest annual survey jointly conducted by Invest Hong Kong (InvestHK) and the Census and Statistics Department, the number of companies in Hong Kong with overseas or Mainland parent companies rose to 9 960 in 2024, reaching a record high. At the same time, the number of start-ups in Hong Kong also increased to a record high of almost 4 700 this year.

As at the first 11 months of this year, InvestHK assisted over 530 Mainland or overseas enterprises to set up or expand their businesses in Hong Kong, representing an increase of over 50 per cent when compared with that in

the same period last year. On a pro-rata basis, this figure also well exceeded the performance indicator as set out in the Chief Executive's 2022 Policy Address.

The above positive results fully demonstrate InvestHK's achievements and that Mainland and overseas enterprises continue to have full confidence in Hong Kong despite geopolitical impact. Those enterprises have selected Hong Kong as their base to expand regional businesses in Asia so as to enjoy the commercial values brought by Hong Kong's roles as a "super connector" and a "super value-adder".

After consulting the Financial Services and the Treasury Bureau (FSTB), the Innovation, Technology and Industry Bureau (ITIB), the Constitutional and Mainland Affairs Bureau (CMAB) and the Office for Attracting Strategic Enterprises (OASES), my consolidated response to Dr the Hon So Cheung-wing's question is as follows:

Serving as the first point of contact to overseas and Mainland enterprises, InvestHK's provision of one-stop customised support services to them is of utmost importance. As such, in the course of its investment promotion work, InvestHK fully collaborates with bureaux to promote key measures under their respective policy portfolios, including family office, financial technology (fintech), financial services, sustainability, innovation and technology (I&T), creative industries, talent attraction.

To further enhance the work of attracting investment and proactively compete for enterprises, the current-term Government established OASES in December 2022, shortly after the commencement of its term in July of the same year. OASES, which is directly under the Financial Secretary (FS), attracts high-potential and representative strategic enterprises from around the globe, particularly those from industries of strategic importance, such as life and health technology, artificial intelligence and data science, fintech, as well as advanced manufacturing and new energy technology. Since the establishment of OASES, InvestHK, including its 17 Dedicated Teams for Attracting Businesses and Talents (Dedicated Teams) in the Mainland and overseas, has been fully collaborating with OASES on the latter's work.

Meanwhile, to further step up co-ordination between bureaux and departments, with the support of the FS, InvestHK set up this year an inter-departmental/agency referral mechanism led by the Director-General of Investment Promotion. By proactively collecting enterprises' concerns and pain points when they plan to establish presence in Hong Kong, InvestHK reflects them to relevant bureaux, departments or agencies accordingly for exploring suitable solutions as appropriate. Since the establishment of the mechanism, various concerns of the enterprises were successfully resolved in the past months, thereby facilitating those enterprises to set up or expand their businesses in Hong Kong.

As regards specific deliverables, InvestHK focuses on assisting the FSTB in investment promotion on fintech and family office fronts and implementing the New Capital Investment Entrant Scheme; assisting the ITIB's investment

promotion work on I&T and start-up fronts; co-operating with the CMAB in promoting investment opportunities in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) and taking forward the work of the Pan-Greater Bay Area Inward Investment Liaison Group with the governments of other GBA cities; working with various bureaux to organise large-scale investment promotion activities such as Hong Kong FinTech Week 2024, StartmeupHK Festival 2024, and Wealth for Good in Hong Kong Summit; and providing high value-added supply chain services to Mainland enterprises along with the Hong Kong Trade Development Council (HKTDC). In addition, InvestHK holistically promotes Hong Kong's various unique strengths under "one country, two systems" by consolidating different bureaux' policies and measures that provide convenience to businesses, as well as key national strategies including the National 14th Five-Year Plan, the GBA development and the Belt and Road Initiative.

InvestHK is responsible for promoting inward direct investment to Hong Kong by attracting Mainland and overseas enterprises to set up or expand in the city. It also provides enterprises with one-stop customised support services from the planning to implementation stages. As for the HKTDC, it is responsible for trade promotion as well as facilitating, assisting and developing trade in Hong Kong. Through organising international exhibitions, conferences and business missions, the HKTDC creates business opportunities in the Mainland and international markets for Hong Kong enterprises. Although the two agencies' functions differ, they have been working closely together and are dedicated to promoting Hong Kong as a two-way global investment and business hub, thereby fully leveraging Hong Kong's advantages as a two-way springboard for both Mainland and international businesses.

As announced in the 2024 Policy Address by the Chief Executive, InvestHK and the HKTDC would commence work to set up a high value-added supply chain services mechanism. To this end, InvestHK and the HKTDC have convened a meeting to jointly attract Mainland enterprises to establish international or regional headquarters in Hong Kong for managing offshore trading and supply chain. They also offer those enterprises in Hong Kong with high value-added supply chain services to assist them to expand business globally to the Association of Southeast Asian Nations and other emerging markets. On one hand, InvestHK will step up its engagement with Mainland enterprises through various kinds of investment promotion activities. On the other, the HKTDC will provide them with professional advisory services and, through its overseas offices, render on-site support services.

As regards manpower, currently InvestHK's head office consists of 184 posts. There are 79 investment promotion posts in the 17 Dedicated Teams in the Mainland and overseas. At present, the department has sufficient resources for meeting its daily work. Review on whether InvestHK's resources are sufficient for coping with new tasks will be conducted from time to time.

I conclude with these remarks, President.