

# LCQ16: Attracting enterprises to Hong Kong

Following is a question by Dr the Hon Wendy Hong and a written reply by the Deputy Financial Secretary, Mr Michael Wong, in the Legislative Council today (November 15):

Question:

The 2023 Policy Address has mentioned that the Office for Attracting Strategic Enterprises (OASES) has reached out to over 200 strategic enterprises, of which 30 are planning to establish their foothold or expand their operations in Hong Kong; and in the first nine months of 2023, Invest Hong Kong (InvestHK) assisted over 300 Mainland and overseas enterprises in establishing or expanding their operations in Hong Kong. In this connection, will the Government inform this Council:

(1) of a breakdown of the number of aforesaid enterprises (i.e. (a) strategic enterprises which are planning to establish their foothold or expand their operations in Hong Kong and (b) Mainland and overseas enterprises which established or expanded their operations in Hong Kong in the first nine months of 2023) by (i) type of operations, (ii) place of registration of parent company and (iii) whether they have set up corporate divisions or started operations in Hong Kong (set out in Table 1 to Table 3);

Table 1

(i)	(a)	(b)
Life and health technology		
Artificial intelligence and data science		
Financial technology		
Advanced manufacturing and new energy technology		
Business and professional services		
Creative industries		
Others		

Table 2

(ii)	(a)	(b)
Mainland		
Europe and the United States		
Japan and Korea		
Middle East		
Southeast Asia		

Others		
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Table 3

(iii)	(a)	(b)
Enterprises which have set up corporate divisions or started operations in Hong Kong		
Enterprises which have never set up corporate divisions or started operations in Hong Kong		

(2) whether the InvestHK has offered concessionary terms to Mainland and overseas enterprises to attract them to establish their foothold or expand their operations in Hong Kong; and

(3) given that at present, the OASES does not offer special concessionary terms to strategic enterprises which it attracts to establish their foothold in Hong Kong, whether the OASES will consider offering such terms; if so, of the criteria to be adopted?

Reply:

President,

In his 2022 Policy Address, the Chief Executive announced the establishment of the Office for Attracting Strategic Enterprises (OASES) to attract high-potential and representative strategic enterprises, particularly those from industries of strategic importance (including life and health technology, artificial intelligence and data science, financial technology, and advanced manufacturing and new energy technology), to establish a presence or expand their business in Hong Kong. The OASES was officially established in end-December 2022. When attracting strategic enterprises, factors that would be considered include whether the enterprises would fit in Hong Kong's direction in industry development, their business plans, technology level, job opportunities, contributions to the industry's ecosystem and the domestic gross domestic product. Meanwhile, the Invest Hong Kong (InvestHK) continues to actively provide high-quality and comprehensive support for other overseas and Mainland enterprises interested in setting up or expanding their operations in Hong Kong.

My reply to Dr the Hon Wendy Hong's questions is as follows:

(1) Since its establishment, the OASES has reached out to over 200 strategic enterprises, of which 30 are planning to establish a foothold or expand their operations in Hong Kong. A total of about \$30 billion of new investment is involved, with around 10 000 employment opportunities expected to be created. With the Launching Ceremony of OASES Partnership held in October 2023, the OASES has become an official partner of the first batch of 20 strategic enterprises setting up or expanding their business in Hong Kong. They will work together to promote the development of the innovation and technology

ecosystem of Hong Kong.

In the first nine months of this year, the InvestHK assisted 300 Mainland and overseas enterprises in establishing or expanding their operations in Hong Kong, representing an increase of more than 25 per cent over the same period last year. The fact that these enterprises came from across the globe covering various trades and industries is a testament to Hong Kong's attractiveness to enterprises as an international business centre.

The number of the aforesaid enterprises with a breakdown by their type of operations, place of registration of parent company (according to the place of origin as declared by the enterprise concerned) and whether they have established presence or started operations in Hong Kong before is provided below –

(1) Type of operations

	Strategic enterprises	Enterprises handled by the InvestHK
Life and health technology	15	17
Artificial intelligence and data science	7	9
Financial technology	2	41
Advanced manufacturing and new energy technology	6	8
Business and professional services	–	34
Creative industries	–	28
Others (Note)	–	163
Total	30	300

(2) Place of registration of parent company (according to the place of origin as declared by the enterprise concerned)

	Strategic enterprises	Enterprises handled by the InvestHK
Mainland	25	111
Europe and North America	5	112
Japan and Korea	–	15
Middle East	–	3
Southeast Asia	–	32
Others	–	27
Total	30	300

(3) Whether they have established presence or started operations in Hong Kong

before

	Strategic enterprises	Enterprises handled by the InvestHK
Enterprises which have established presence or started operations in Hong Kong	12	94
Enterprises which have never established presence or started operations in Hong Kong before	18	206
Total	30	300

(2) & (3) Regarding the work of attracting strategic enterprises, the OASES will provide tailor-made and attractive measures and proposals to targeted enterprises. Also, having regard to their individual needs, the OASES would provide the enterprises with customised support such as office accommodation, research and supporting facilities and recruitment of talent, in setting up their operations in Hong Kong. Moreover, their employees from outside Hong Kong will be provided with one-stop facilitation services in areas such as application under various talent admission schemes or related visa application as well as provision of information on their children's education. As most of the strategic enterprises are in the information and technology field, the OASES will assist suitable strategic enterprises in setting up their operations at the Hong Kong Science Park or Cyberport. The OASES will also refer them to local universities and institutions for research collaboration, thereby enhancing synergy and further fostering the development of our local industries and ecosystem.

Based on the experience gained so far, strategic enterprises (particularly large-scale multinational corporations) have various concerns and considerations when deciding whether to set up their operation in Hong Kong. The OASES will continue to follow up the needs of individual enterprises. When necessary, the OASES will continue to liaise with relevant bureaux to draw up special measures for targeted enterprises with a view to facilitating the setting up of their operations in Hong Kong.

Through its global network of 17 Dedicated Teams for Attracting Businesses and Talents in the Mainland Offices and overseas Economic and Trade Offices of Hong Kong, as well as 16 consultant offices, the InvestHK proactively attracts and assists enterprises interested in setting up or expanding operations in Hong Kong. It offers one-stop support services to such enterprises, rendering assistance from planning to implementation. Such services include providing market information and guidance on laws and regulations in relevant sectors, offering assistance in office search, staff recruitment as well as visa and licence applications, providing information about funding schemes and other support measures, introducing business partners and service providers to such enterprises, and rendering marketing support on business launch. Furthermore, the InvestHK also offers aftercare support to enterprises that already have a presence in Hong Kong by assisting them in exploring new growth areas and opportunities so as to facilitate

their business expansion in Hong Kong.

The Government attaches great importance to the work of attracting enterprises and investment. The OASES, InvestHK and other bureaux and departments will continue to work together to attract and assist different enterprises to set up or expand operations in Hong Kong. The OASES and InvestHK have frequent communication and would co-ordinate amongst themselves. During the discussion with enterprises, if the InvestHK considers it would be more appropriate for the OASES to follow up on a case, the InvestHK would refer the case to the OASES for further processing, and vice versa.

Note: Such as transport and industrial, consumer products, tourism and hospitality, information and communications technology etc.