

SFST's speech at 5th Belt and Road Initiative Tax Administration Cooperation Forum welcome dinner (English only) (with photo)

Following is the speech by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, at the 5th Belt and Road Initiative Tax Administration Cooperation Forum welcome dinner tonight (September 24):

Honourable Commissioner Hu Jinglin (Commissioner of the State Taxation Administration), Deputy Commissioner Wang Daoshu (Deputy Commissioner of the State Taxation Administration and Executive Secretary of the Belt and Road Initiative Tax Administration Cooperation Mechanism Secretariat), honourable Ministers and senior officials from the Belt and Road economies, distinguished guests, ladies and gentlemen,

Good evening. I am delighted to welcome you all to the dinner tonight. I am very glad to see so many esteemed officials from tax administrations, representatives from international organisations, business leaders and tax experts from around the world to come to this vibrant city.

I trust your day has been both rewarding and stimulating, filled with productive discussions on emerging tax issues and valuable exchanges of experiences in tax administration. I hope the dialogues today have sparked innovative ideas and fostered meaningful collaborations that will continue to develop throughout this Forum and beyond.

The Belt and Road Initiative Tax Administration Cooperation Mechanism (BRITACOM) has taken up an active role in building a growth-friendly tax environment through promoting international co-operation on tax administration. Since its inception five years ago, BRITACOM has made substantial achievements and significant milestones in fostering co-operation and building capacity in taxation across Belt and Road jurisdictions. All of you here tonight have witnessed these successes and contributed profoundly to our shared objectives.

The BRITACOF (Belt and Road Initiative Tax Administration Cooperation Forum) is a crucial and exemplary international platform designed to enhance co-operation among tax administrations along the Belt and Road. It facilitates insightful exchanges of experience and expertise among tax authorities, experts, practitioners and the business community, which enable participants to effectively address tax related challenges in their own jurisdictions.

Hong Kong has actively participated in the previous four Forums, and it is our privilege to host this year's Forum for the first time. I am thrilled to welcome over 400 delegates, both international and local, to this mega

event. Indeed, the hosting of the 5th BRITACOF in Hong Kong underscores our unique gateway role in fostering partnerships and creating value for economies, businesses and people along the Belt and Road.

Our commitment to realising the visionary goal of the Belt and Road Initiative goes beyond participation. As the world's premier international financial centre, Hong Kong brings unique advantages to the table. By integrating our sophisticated infrastructure, globally competitive financial services and transparent legal system, we offer unmatched opportunities for our Belt and Road partners to connect and grow. In every endeavour, we strive to consolidate these advantages, ensuring that Hong Kong continues to serve as a dynamic gateway for international trade and investment, and a "super connector" and "super value-adder" in connecting Mainland China and other Belt and Road jurisdictions.

Now back to the core of our Forum – tax co-operation. An efficient and effective tax system is essential in driving the sustainable growth of an economy. On one hand, it provides resources for governments to deliver essential public services and launch new developments. On the other, tax system must be fair and transparent to avoid becoming a disincentive to people and businesses. Hong Kong's tax system is internationally recognised for its clarity, efficiency, and compliance with international standards. In fact, the latest World Competitiveness Yearbook 2024 published by the International Institute for Management Development once again acknowledged Hong Kong as one of the most competitive economies in the world, with "Tax Policy" ranking first in the Asia-Pacific region and second in the world. And tomorrow, at a panel to be hosted by Benjamin, our Deputy Commissioner (of Inland Revenue), you will be able to share more and learn more about that. Against this backdrop, Hong Kong is perfectly positioned to be a catalyst for promoting economic activities under the Belt and Road Initiative.

Also, as the globalisation of economic activities continues to evolve and new ways of working and doing business emerge, it is more important than ever for tax administrations to build capacity and share knowledge together. Hong Kong has always been committed to upholding international tax standards, including the Base Erosion and Profit Shifting (BEPS) framework set by the Organisation for Economic Co-operation and Development. We are also fully supportive of the international standard of tax information exchange to avoid tax evasion. By endorsing and implementing these standards, Hong Kong ensures that Belt and Road projects involving Hong Kong companies adhere to the highest international benchmarks in terms of tax governance and transparency.

The future holds great promise, and through our concerted efforts, I am confident that we will continue to see a cascade of benefits for all involved. At this juncture, I am pleased to announce a key achievement that reflects our dedication to strengthening global tax collaboration.

On behalf of the Hong Kong Special Administrative Region Government, I had the honour of signing a new Comprehensive Avoidance of Double Taxation Agreement (CDTA) with Türkiye today as witnessed by all of you. This agreement, along with three others signed earlier this year, bring our total

number of CDTAs to 51. Each agreement signed is a step forward in our ongoing effort to broaden Hong Kong's tax treaty network and reaffirm our commitment to fostering efficient, transparent and fair international tax practices.

Our efforts to conclude more CDTAs with our trading and investment partners from the Belt and Road Initiative will definitely continue. These agreements are instrumental in fostering deeper economic and trade connections between Hong Kong and the Belt and Road jurisdictions. We are now having negotiations with 16 jurisdictions, and about 80 per cent of them are along the Belt and Road. For those who have yet to be our CDTA partners, I hope we can make it happen soon.

Looking ahead, I am filled with optimism about our collective efforts to create a sustainable tax environment. Together, let us strengthen our co-operation in tax administration to support high-quality development of the Belt and Road Initiative, paving the way for a new era with abundant opportunities.

Ladies and gentlemen, I hope you will enjoy this meal and the Chinese cultural performance. And as you are here, I invite you to take some time to explore our wonderful city. Hong Kong actually has 24 country parks, 22 special areas for conservation and other protected areas that together cover more than 40 per cent of the city's land area. We have some 80 hiking trails totalling 500 kilometres within these areas. We also have some 42 beaches in Hong Kong that you can enjoy the sunshine. Of course, don't forget to try our wonderful food as well, ranging from street food, dim sum to Michelin cuisine.

Have a productive Forum and an enjoyable stay in Hong Kong. Thank you.

