

HONG KONG – THE GATEWAY TO MAINLAND CHINA AND THE REST OF THE WORLD



Throughout its 150 years of maritime history, Hong Kong's maritime industry has been ever-growing. Today, Hong Kong has a cutting-edge maritime proposition, combining a benign and attractive business environment with up-to-the-minute technology and world-class value-added services, constantly provides a strong means of access to Mainland China and the world.

Strategically located at the heart of Asia and close to the Pearl River Delta, Hong Kong offers the maritime sector an attractive, stable, low-tax business environment.

Hong Kong is one of the world's busiest and most efficient international container ports, providing ideal conditions for berthing, handling and operating container vessels. The latest technology maximises efficiency and environmental performance, and a comprehensive series of value-added services make it a wise strategic choice for regional and international operations.

With extensive multimodal links to Southern China, Hong Kong plays an important role in China's key development strategy, the Belt and Road Initiative. This, based on the land-based Silk Road Economic Belt and the ocean-going 21st Century Maritime Silk Road, covers some 140 countries across Asia, Europe and Africa. In the first half of 2019, China's trade with these Belt and Road countries has reached US\$617.5 billion, representing an increase of 9.7 percent year-on-year. In support, Hong Kong Port maintains marine cargo movements with some 90 countries along the Belt and Road.

Equally important is Hong Kong's prominent leading role in the regional development of the Guangdong-Hong Kong-Macao Greater Bay Area. This Greater Bay Area aims at forging closer ties among Hong Kong, Macao and the nine cities in the populous and economically important Guangdong Province. Under the governmental principle of 'One Country, Two Systems', Hong Kong is well versed to coordinate and drive the Area to become a world-class city cluster.

World-class facilities

Nine privately financed Kwai Tsing Container Terminals (KTCT) provide 24/7 service. In 2018, 24 berths offered an annual total capacity of some 20 million TEUs of containers and handled 79% (15.5 million TEUs) of Hong Kong Port's total container throughput. Further capacity is provided by mid-stream operations, the River Trade Terminal and private piers.

About 310 container liners sail each week to around 450 destinations worldwide. Regionally, Hong Kong Port provides about 200 intra-Asia shipping services per week.

The KTCT achieve 36-40 quay crane movements per hour. Their efficiency has cemented Hong Kong's reputation as the world's leading 'catch-up port', where time lost en route can be gained back. Frequent equipment and systems



upgrades enhance efficiency and the operating environment. In early 2018, for example, the operator of Container Terminal 9 North launched a remote-controlled gantry crane and automated container stacking system. This ushered in a new era of terminal operation, raising productivity and strengthening competitiveness.

The terminal operators have also invested to reduce pollution and noise.

A leading maritime services cluster

Over 800 Hong Kong companies provide quality professional services to the global maritime community.

Hong Kong Shipping Register

The Hong Kong Shipping Register (HKSR), administered by the Hong Kong Marine Department, ranked 4th in the world, provides 24-hour one-stop services to over 2,600 vessels with a gross tonnage of over 128 million. Registration can be completed within two hours and the fee is the lowest among major shipping registers in terms of total cost for ships.

Ships with a clean Port State Control detention record for two consecutive years benefit from a 50% reduction of annual tonnage charge for the third. Hong Kong-registered ships also enjoy Chinese consular assistance around the world and preferential port dues in Mainland China.

To enhance the coverage and visibility of the HKSR thereby better supporting shipowners, HKSR Regional Desks are being set up in selected Economic and Trade Offices and Liaison Units in Mainland China and overseas by phases starting from the coming months.

Ship Finance and Marine Insurance

Hong Kong is one of Asia's most significant international ship finance centres, and there is ample opportunity for the further development of finance and leasing businesses. A wide range of finance products is offered by the market to suit various customers and investors. The Government is working with the maritime industry to devise tax concessions which will provide new impetus for the further development of Hong Kong's maritime industry.

Hong Kong also provides a strong platform for global insurance providers to develop advanced marine insurance products. To promote the development of marine insurance and underwriting of specialty risks, the Government will implement tax relief proposals for the marine insurance sector and streamline regulations for the International Group of Protection and Indemnity Clubs.

Maritime Legal and Arbitration Services

Under the principle of "One Country, Two Systems" enshrined in the Basic Law, the Hong Kong Special Administrative Region is the only common law jurisdiction within China.

Arbitral awards made in Hong Kong are enforceable in over 150 Contracting States (including the USA, Japan, Singapore and Korea) under the New York Convention and in Mainland China under the Arrangement on Mutual Enforcement of Arbitral Awards. Hong Kong's multilingual lawyers and arbitrators can provide quality legal services in cases involving enterprises from different countries.

An abundant pool of maritime professionals

Training and Talent

To nurture the talent pool and raising the professionalism of personnel for the long-term development of the maritime and port industry, the government and the maritime sector fully support manpower development in Hong Kong. The Hong Kong Polytechnic University Department of Logistics and Maritime Studies provides academic programmes ranging from undergraduate to postgraduate levels. In addition, the Government-funded Maritime Services Training Institute of the Vocational Training Council provides a wide range of sea-going and shore-based vocational training and professional education programmes.

The Maritime and Aviation Training Fund (MATF) supports and encourages young students and in-service practitioners to receive relevant technical training and undertake professional programmes and examinations, thereby enhances overall competitiveness and professional competency of the trade. Since its inception in 2014, the Fund has benefited over 7,400 individuals. In May 2019, the Government injected an additional funding of HK\$200 million into the MATF to continue its operation and support the introduction of new schemes.

In 2018, a 'Talent List' was promulgated with the aim of attracting high-

skilled talent to support Hong Kong's development towards a diversified and high value-added economy. Eligible applicants on the "Talent List" would be provided immigration facilitation under the Quality Migrant Admission Scheme currently operated by the Immigration Department. Naval architects, marine engineers and superintendents of ships, and professionals in marine insurance are all eligible under this initiative.

Hong Kong Maritime and Port Board

The Hong Kong Maritime and Port Board (HKMPB), established in 2016, sets directions for the long-term development of Hong Kong's port and maritime services, fosters the nurturing of maritime talents, and carries out active promotion work to entrench Hong Kong's status as an international maritime centre.

The Promotion and External Relations Committee (PEC) under the HKMPB has been working proactively to publicise our strong and vibrant maritime cluster and to establish ties with other maritime communities. Its responsibilities include overseas publicity and organisation of Hong Kong Maritime Week.

Since its debut in 2016, with the continuous support of the members of the maritime cluster and our working partners, the Hong Kong Maritime Week (HKMW) has been very well received by the industry and community, and gained prominence both locally and internationally. It serves as an effective platform to promote our maritime industry, in particular the high value-added maritime services.

Moreover, through promotion visits and participation in large-scale international maritime exhibitions, Hong Kong's status as an international maritime centre and gateway to Mainland China has been reinforced. Meetings and networking events with overseas and mainland stakeholders during promotion visits have highlighted Hong Kong's pivotal role in the maritime industry of the Asia-Pacific region, especially in light of the Belt and Road Initiative and the Greater Bay Area Development.

