

Business Development Visit to UK

JUNE 2010

Hong Kong - part of China

- One Country, Two Systems – until 2047
- Very high degree of autonomy
- Separate political and legal systems
- Rights and freedoms. Democracy coming (?)
- Own currency; passport; budget; Olympic team



Hong Kong - Asia's World City

- Strategic location in the heart of Asia
- Gateway to Pearl River Delta and China
- Global financial and business centre (NY-LON-KONG)
- Diverse and cosmopolitan workforce
- Prime spot for regional headquarters



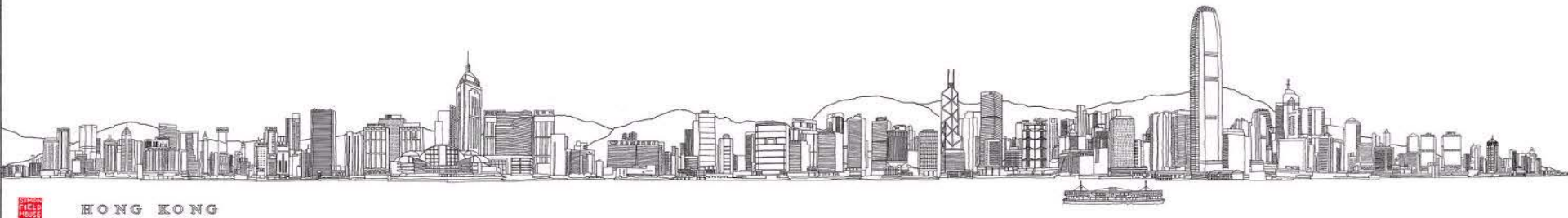
HONG KONG



UK & Hong Kong



- UK's 2nd largest export market in Asia Pacific in 2009
 - Exports to HK: £3.5 billion in 2009 (↑1% from 2008)
- We export more to Hong Kong than to Japan, India, Australia
- Hundreds of UK companies in HK
 - 353 are regional offices or HQs for Asia-Pacific
- 250,000 British citizens living in HK
- Strong business, cultural and educational links



Economic Update

- 2.7% GDP contraction 2009
- IMF forecast 5.0% growth in 2010
- Some concerns remain
- retail sales, tourism, property prices all increasing – thanks to China



Business Environment



- English widely spoken
- Strong rule of law; IP protection
- High concentration of foreign companies and expatriates
- Pro-business governance
- Systems similar to the UK

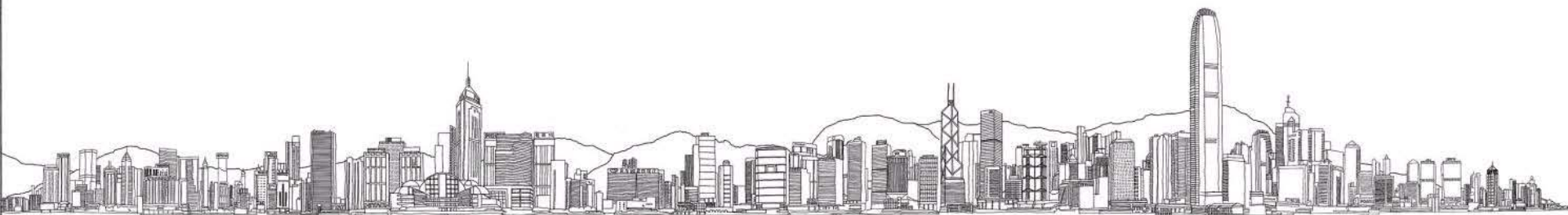
Opportunities Now

- Construction & Transportation
 - infrastructure, urban regeneration, energy efficiency
- Creative Industries & Education
 - design, advertising, vocational training, special needs
- Advanced Technologies
 - environment, ICT, life sciences
- Financial, legal and business services



New economic pillars

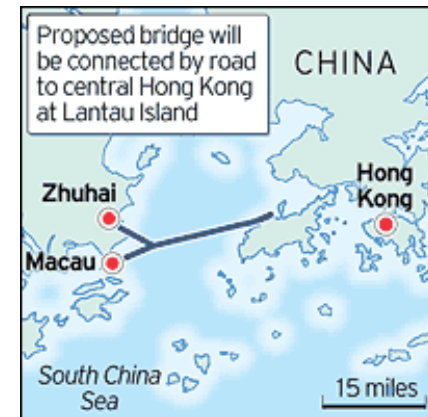
- educational services
- testing and certification
- creative industries
- medical services
- innovation and technology
- environmental technologies



Beyond HK: Macao



- 'One Country - Two Systems' like HK
- China's Las Vegas (just bigger)
 - 2009 gaming revenue: £10bn(↑10%)
- 2008/09 difficult year... but now booming again
- Key sectors: gaming/leisure, retail, construction, education and training



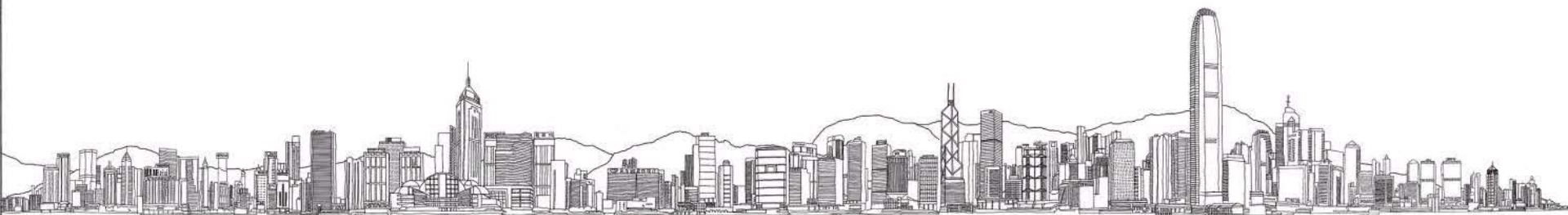
Greater China and Beyond

- HK: largest investor in every Chinese province
- HK companies know China market very well
- Advantageous to base operations in HK
 - International city, legal system, less risk
- HK companies can be agent, distributor, JV partner
- While you're at it: Springboard to Asia Pacific



The Bottom Line

- Best of both worlds?
 - International city but part of China
- Advantages for UK companies
 - Existing UK-HK ties, English language and systems
- A wealth of opportunities
 - In the centre of some of the fastest growing economies
- Weak sterling improves opportunities



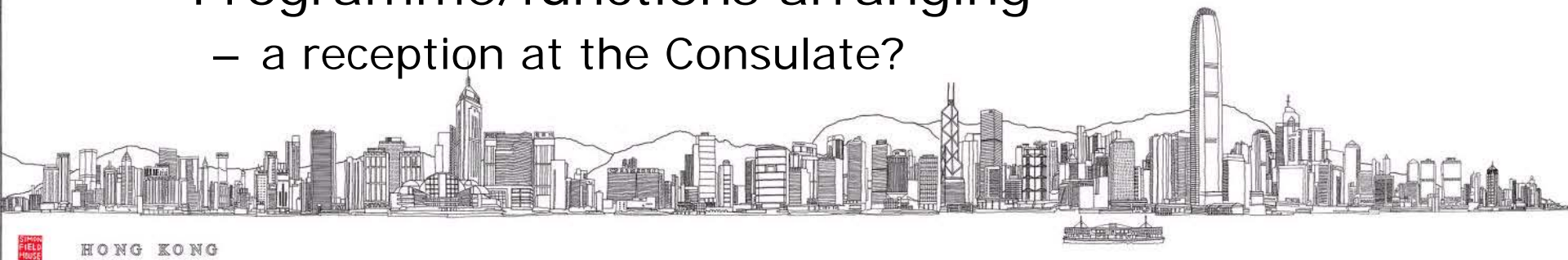
How we can help

- 16 full-time staff supporting you in HK and Macao
- 22 UKTI offices in Mainland China and Asia-Pacific
- Links with partner organisations
 - China-Britain Business Council
 - British Chamber of Commerce
 - HK Trade Development Council



Our services for you

- Local staff are sectoral experts - use them!
- Bespoke services to grow your business
- Overseas Market Introduction Scheme
 - available in HK, PRD ...
- Trade fairs in Hong Kong and Macao
- Programme/functions arranging
 - a reception at the Consulate?



My contact details:

John Woodruffe

Deputy Trade Commissioner

Tel: (852) 2901 3355

Email: john.woodruffe@fco.gov.uk