

Hong Kong Legal Services Forum 2012

Speech by Ms Margaret Fong, Deputy Executive Director,
Hong Kong Trade Development Council
at the Keynote Luncheon of Hong Kong Legal Services Forum

Mr Yuen, Mr Arculli, ladies and gentlemen :

On behalf of the Hong Kong Trade Development Council, I'm delighted to be part of the second Hong Kong Legal Services Forum. I'm particularly pleased that it's taking place here in Guangzhou.

This year marks the 15th anniversary of Hong Kong's return to China. The deepening economic integration between Hong Kong and mainland China over these 15 short years is also cause for celebration.

Indeed, Hong Kong is the largest source of overseas direct investment on the mainland. The latest statistics show that, among all the overseas-funded projects approved on the mainland, nearly 45 per cent are tied to Hong Kong interests. Not surprisingly, the mainland is also the leading investor in Hong Kong, with cumulative direct investment of more than US\$400 billion at the end of 2010. That represents 37 per cent of Hong Kong's total stock of inward direct investment.

And I'm sure no one here is surprised that Hong Kong's services trade with the mainland is booming. Between 2006 and 2010, our mainland services exports were up 14 per cent a year, on average, totalling US\$29.5 billion in 2010.

After all, Hong Kong is the most services-oriented economy in the world, the sector accounting for nearly 93 per cent of Hong Kong's GDP. The legal profession, I'm pleased to say, is at the heart of Hong Kong's reputation as a professional services centre and global business hub. The city is home to more than 9,000 practising solicitors and barristers. More than 850 local solicitor firms and foreign law firms have a presence in Hong Kong. That includes more than half the Global 50 law firms. It's no wonder that Hong Kong is known as the international law capital of Asia.

What brings it all together is Hong Kong's independent judiciary. It guarantees strong legal protection for contracts and intellectual property, making Hong Kong a haven for entrepreneurs and the ideal city for business.

And, as we heard this morning, even as the world uses Hong Kong to find new markets in China, mainland enterprises are taking advantage of Hong Kong – and Hong Kong legal professionals – to take their business global. In 2010, about 60 per cent of the mainland's overseas investments flowed directly into Hong Kong or went to other countries through Hong Kong. That's a tribute to Hong Kong's professional services expertise. Services promotion is central to the mandate of the Hong Kong Trade Development Council. And we put on regular services promotion seminars to help mainland enterprises go out to the world. They include the legal profession.

We also organise business missions to help mainland companies find global opportunities. In May, for example, we cooperated with the Economic and Information Commission of Guangdong Province on a joint investment mission to Germany. The mission counted about 20 Hong Kong services providers and Guangdong enterprises looking for automation and clean-manufacturing technology partnerships. 118 German companies attended the mission's seminars and networking luncheons. Potential deals were identified by the Guangdong side following the mission. They range from mergers and acquisitions to IPOs, intellectual property protection and even the setting up of a Hong Kong office.

Trade in intellectual property also offers great promise. To help promote the sector, the HKTDC and the Hong Kong Design Centre last December organised the inaugural Business of Intellectual Property Asia Forum – a day-long spotlight on Asia's growing IP trading opportunities. Over 700 professionals from 19 countries and regions took part. The second BIP Asia Forum takes place 7 December in Hong Kong, focusing on the IP business in Asia, and around the world. I invite you to join us. It should be a stimulating day for all concerned.

Few people are as knowledgeable about Hong Kong, and its many advantages, as today's keynote luncheon speaker. For years, Hong Kong-born Ronald Arculli has been a driving force in helping to create, and develop, those advantages. In his six years as Chairman of the Hong Kong Exchanges & Clearing Ltd, Mr Arculli attracted a number of prominent international listings to the bourse. Today, he continues to bring his vast experience to the Hong Kong Exchanges as an Independent Non-Executive Director. He also serves as Chairman of the World Federation of Exchanges and is on the board of several major listed companies. A former member of the Legislative Council of Hong Kong, and a man with a distinguished public service record, Mr Arculli also knows something about law – as Senior Partner in one of Asia's largest law firms. A few months ago, after stepping down as Chairman of the Hong Kong Exchanges, Mr Arculli was quoted as saying: "To be international, you've got to work very hard at it, as you've got to work very hard at being local as well." That, in a line, speaks of the dedication, the drive and the great success he has enjoyed these many years.

Please join me now in a warm welcome for the Honourable Ronald Arculli.