



What you need to know about the Greater Bay Area

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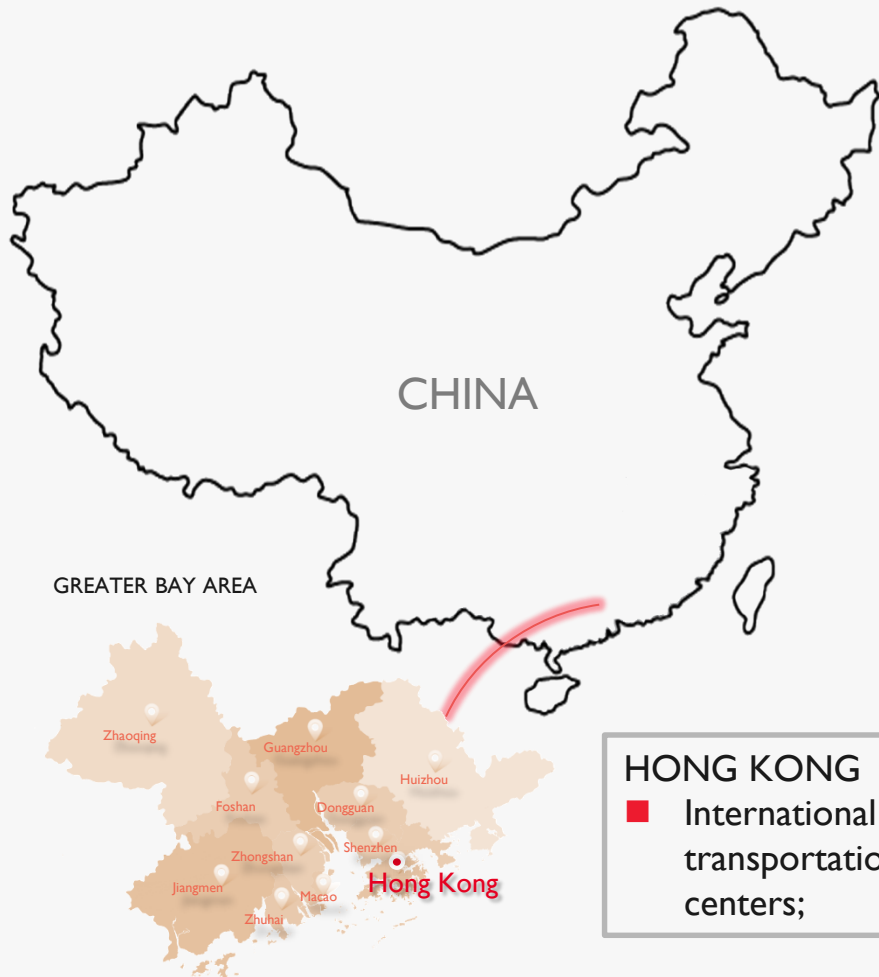
Head of Transport and Industrial

8 Apr, 2019 Singapore

2nd Annual Capital Link

Singapore Maritime Forum





GREATER BAY AREA ■

POPULATION

68mn

>UK, Italy, South Africa

LAND AREA

56,000km²

<Ireland, Latvia, Panama, West Virginia (US)

GDP

US\$1.5trillion

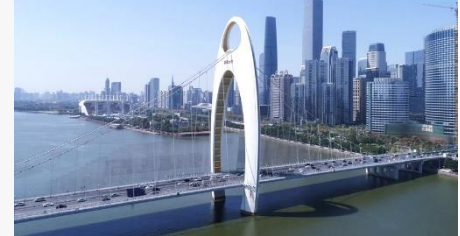
>Indonesia, Netherlands, Turkey

HONG KONG

■ International financial,
transportation and trade
centers;

STRATEGIC POSITIONING OF THE GREATER BAY AREA ■

- A vibrant world-class **city cluster**
- A globally influential international **Innovation and Technology (I&T)** hub
- An important support pillar for the **Belt & Road Initiative (BRI)**
- A showcase for **in-depth cooperation** between the Mainland and Hong Kong and Macau
- A quality **living circle** for living, working and travelling



COMPARISON WITH THE WORLD'S MAJOR BAY AREAS ■

	Guangdong-Hong Kong- Macau Bay Area	San Francisco Bay Area	New York Metropolitan Area	Tokyo Bay Area
Land area (sq km)	56,000	17,900	21,500	36,900
Population (mn)	69.6	7.6	20.2	44.0
GDP (US\$ bn)	1,513.4	781.2	1,657.5	1,774.2
Real GDP growth (%)	7.0	5.3	0.9	1.9
GDP share of tertiary industry (%)	65.6	71.9	83.3	77.0
Per-capita GDP (US\$)	21,750	102,230	82,050	40,360
Stock Market Capitalisation (USD Trillion)	7.6	N.A.	30.5	5.7
No. of World Top 100 Universities	4	2	2	2
Air freight traffic (mn tonnes)	7.96	1.18	2.16	3.58
Port container throughput (mn TEUs)	66.48	2.42	6.25	7.76

FOCUSES OF THE 4 CORE CITIES

Coordinated and innovation-driven regional development with more seamless flows of
people, goods, capital and information

- National core city and integrated gateway city
- Enhance functions as international centres for commerce and industry, transport, technology, education, and culture

For the other 7 key node cities, main objectives are to develop towns with distinct characteristics and to promote integrated development of urban and rural areas

- World-class tourism and leisure centre
- Commerce and trade cooperation service platform between China and Lusophone countries



- National economic core city and national innovation city
- Develop as capital of innovation and creativity with global influence

HONG KONG

- International financial, transportation and trade centres
- Global offshore RMB business hub and international asset and risk management centre
- International legal and dispute resolution services centre
- Develop high-end services, innovation and technology industries and emerging industries

HONG KONG AMONG GREATER BAY CITIES ■

HONG KONG

- No Capital and Exchange Controls
- HKD pegged to USD
- Common Law

GBA City	Area (sq. km)	GDP (USD billion)	Population (Million)	GDP Per Capita (USD)
Hong Kong	1,104	319.3	7.37	43,300
Guangzhou	7,436	284.6	14.04	20,300
Shenzhen	2,007	283.0	11.90	23,800
Foshan	3,875	125.3	7.50	16,700
Dongguan	2,512	99.1	8.25	12,000
Huizhou	11,159	49.5	4.78	10,400
Zhongshan	1,770	46.4	3.23	14,400
Macao	29.2	44.7	0.64	69,800
Jiangmen	9,554	34.8	4.54	7,700
Zhuhai	1,696	32.3	1.68	19,200
Zhaoqing	15,006	30.2	4.06	7,400

THE GREATER BAY AREA DEVELOPMENT OBJECTIVES ■

**Announcement of
Outline
Development Plan
for the Guangdong-
Hong Kong-Macao
Greater Bay Area**

In 2019

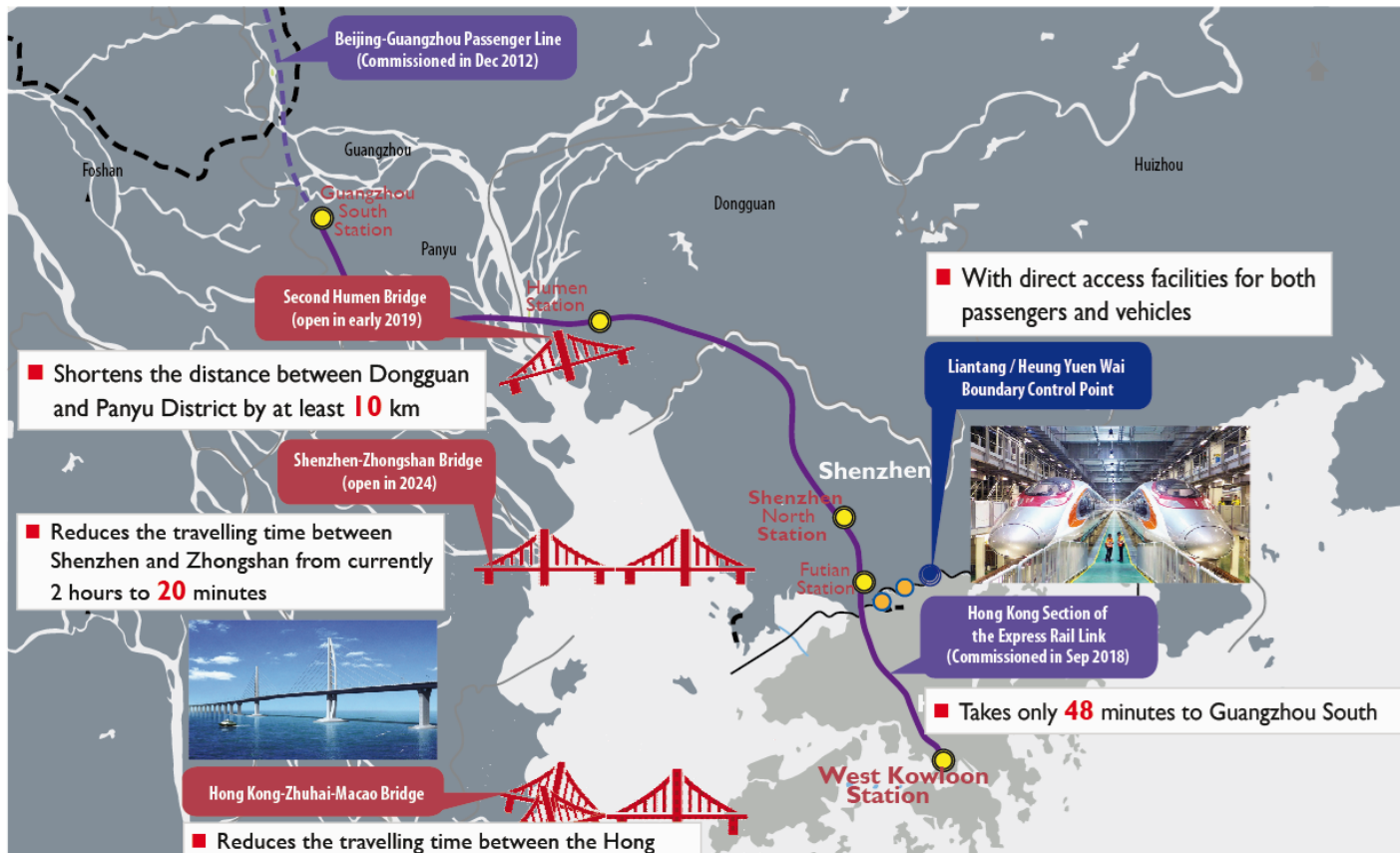
**Framework for a
world-class city
cluster essentially
formed in terms of
economic
structure,
infrastructural
support and
ecological
environment**

By 2022

**An international
first-class bay area
for living, working,
and travelling fully
developed**

By 2035

GREATER BAY AREA



粵港澳大灣區
Greater Bay Area

CONNECTIVITY
KEY INFRASTRUCTURE

HONG KONG-ZHUHAI-MACAO BRIDGE



- Operation commenced in **October 2018**
- Total length is **55 km** (The world's longest bridge-cum-tunnel sea crossing)
- The **Main Bridge**: dual 3-lane carriageway of approximately 30 km comprising a sea viaduct section of approximately 23km and a tunnel section of approximately 7km
- The Main Bridge was built by the **3 regional governments** through a JV; boundary crossing facilities and link roads were built separately by each jurisdiction
- **6** years of preparation; **9** years to build; designed service life of **120** years

HIGH-SPEED RAIL ■

- The **Hong Kong Government** funded the Hong Kong portion of the high-speed underground rail link
- With direct services to **44** destinations, it is both symbolically and economically significant.



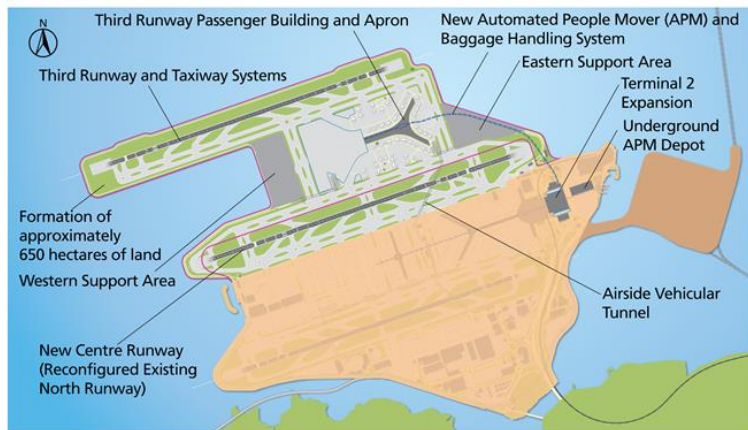
- The inauguration of the Guangzhou-Shenzhen-Hong Kong Express Rail Link on 22 Sep 2018 marks a new chapter in cross-border development.



Destination	Est. Travelling Time
Shenzhen North	23 minutes
Guangzhou South	48 minutes
Shanghai	7 hours 45 minutes
Beijing	8 hours 45 minutes

THIRD RUNWAY PROJECT

Three-Runway System Layout



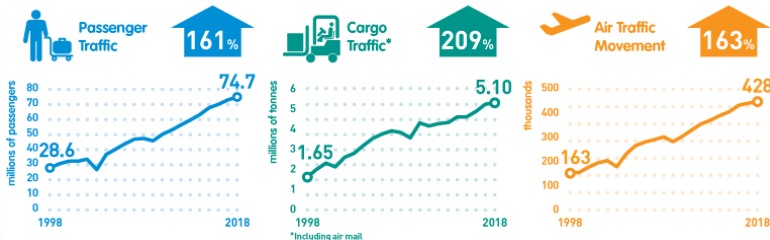
Reclamation Footprint



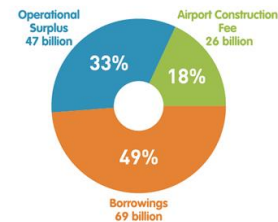
Commencement of construction in 2016; completion in 2024

Similar expansions in progress for **Shenzhen** Bao'an Airport and **Guangzhou** Baiyun Airport

Solid Growth Over the Years



Financial Arrangements for the 3RS (HKS)



- Reclamation of approximately **650 Ha** of land using non-dredge methods including deep cement mixing technique
- **Passenger Building** with more than 280,000 square metres of floor area, a total of 57 new parking positions and an apron.
- **3,800-metre-long new runway** and its supporting taxiway systems
- **2,600-metre-long new Automated People Mover (APM)** system connecting Terminal 2 with the new passenger building, travelling at a top speed of 80km/h and transporting up to 10,800 passengers per hour

GBA OPPORTUNITIES PRD PORT CLUSTER ■

- Hong Kong, Shenzhen and Guangzhou are the 3 GBA cities among the top 10 container ports in the world.
- The Great Bay Area will strengthen infrastructure construction and develop internal communication channel within the region
- Promote effective cooperation and avoid vicious competition
 - Throughput of Hong Kong is currently undermined by regional competition



OUTLINE DEVELOPMENT PLAN

- To increase the overall capacity of international shipping services of Guangzhou and Shenzhen, further enhance the service capacity of infrastructural facilities including ports and fairways, form a complementary and mutually beneficial system of port, shipping, logistics and ancillary services with Hong Kong, and strengthen the port cluster's overall international competitiveness.

Potentially to develop **Big Data & Blockchain** technology in collaboration of the ports in GBA

GBA OPPORTUNITIES

SHIP FINANCING & SHIP LEASING ■

HONG KONG ADVANTAGES & OPPORTUNITIES

- International financial centre and world freest economy
 - In view of the differences in the **regulatory and approval standards** for financial products between the Mainland and Hong Kong, better synergy should be promoted
- World **largest offshore RMB** hub (70% of global)
 - Foreign capital can be introduced thru HK to participate in the PE & VC Funds in GBA
- Premier **financial infrastructure**, effective **financial regulations** and an abundant pool of **financial professionals**
 - To enhance HK as ship financing centre and green finance hub and serve the corporates in GBA



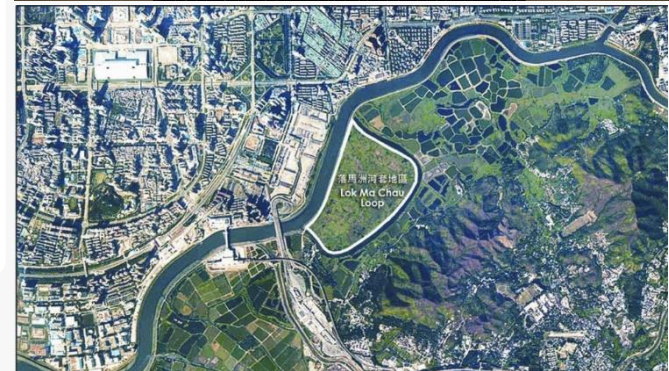


- The total gross premium of insurance on ships in Hong Kong surged by almost **10% yearly** on average in the past decade, while it's only 7% for general insurance business
- 12 out of the 13 members of the International **PNI Clubs** have presence in Hong Kong
- Germany-based International Union of Marine Insurance (**IUMI**) chose Hong Kong as its first overseas hub.
- HK Government proposed allowing Hong Kong insurers to set up **post-sales service centres** in the GBA, also is in discussions with the China Banking and Insurance Regulatory Commission to enable the distribution of Hong Kong insurance products throughout GBA

GBA OPPORTUNITIES **MARINE INSURANCE** ■

HK-SHENZHEN INNOVATION & TECHNOLOGY PARK IN THE LOOP ■

- Situated at **Lok Ma Chau Loop** (落馬洲河套區), near HK-Shenzhen border
- **87-hectare**, 4 times the size of Hong Kong Science Park
- A key base for **co-operation** between HK and the Mainland in innovation and technology research
- To **attract** top enterprises, research institutions and higher education institutes from the world





TECHNOLOGY & R&D ■

Technology Talent Admission Scheme (TechTAS)

Fast-track arrangement for the admission of
overseas and Mainland R&D talents

Super Tax Deduction for R&D expenditure

- **300% tax deduction** for private enterprises on the first **HK\$2 million** of qualified R&D expenditure
- Remaining enjoys **200% tax deduction**

Policy Address 2018

- Inject HK\$20 billion into the Research Endowment Fund
- Launch a HK\$3 billion Research Matching Grant Scheme

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and evaluation

Set-Up

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applications, schooling

Launch

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introduction to service
providers

Expansion

PR and marketing support
for launch/expansion



GET in TOUCH

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