

For Discussion
8 March 2004

**LEGISLATIVE COUNCIL
PANEL ON COMMERCE AND INDUSTRY**

Promotion of Inward Investment

INTRODUCTION

This paper gives an account of the work of Invest Hong Kong (InvestHK) in promoting inward investment, including its mission, services and operation resources. It also updates Members of the results of the department's investment promotion efforts, and the progress of new initiatives following the injection of additional resources.

BACKGROUND

2. The foreign and Mainland business community plays a very important role in the Hong Kong economy. Foreign and Mainland companies bring in capital and create employment opportunities. Many also introduce new technologies and business practices to Hong Kong. The Government firmly supports a free market economy and a liberal investment regime. For the tenth consecutive year, the Heritage Foundation has rated Hong Kong as the freest economy in the world.

3. Over the last two decades, Hong Kong has established itself as a two-way platform for business between the Mainland of China and the rest of the world. In particular, Hong Kong has been the natural business hub in the Greater Pearl River Delta (PRD)¹. Following China's entry into the World Trade Organisation (WTO) in December 2001, there are increased opportunities for Hong Kong to leverage on its strategic role. Companies from around the world are attracted by China's continuing robust economic growth. Its GDP is now the world's sixth largest and the Mainland is the fastest growing major

¹ The Greater PRD comprises the PRD (as defined by the Guangdong Provincial authorities) plus the Hong Kong Special Administrative Region and the Macao Special Administrative Region.

economy in the world. At the same time, Mainland companies are increasingly interested in developing an international dimension to their business operation.

4. The implementation of the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) has opened up new business opportunities in the Mainland for Hong Kong. It has also enhanced the attractiveness of Hong Kong to foreign investors, who may leverage on CEPA to gain greater access into the Mainland market through Hong Kong. The zero import tariff preference may attract to Hong Kong manufacturing of brand name products, or manufacturing processes with high-value added content or substantial intellectual property input. The market liberalisation measures for trade in services give enterprises in Hong Kong a “first mover” advantage in respect of WTO concessions, plus in some cases special privileges.

MISSION & SERVICES

5. Established in July 2000, InvestHK is tasked to promote Hong Kong’s many advantages as a trade, investment and business hub in Asia, and to attract inward direct investment. Its mission is to attract to and retain in Hong Kong economically and strategically important investment. It offers solution-oriented investment promotion, facilitation, and aftercare services to inward investors to ensure that companies have all the support required to establish and expand their operation in Hong Kong.

6. InvestHK adopts a targeted approach in its investment promotion strategy, with the express objectives to attract corporations from other parts of the world to set up their headquarters in Hong Kong, and to promote the nine business sectors in which Hong Kong has comparative advantages. It offers sector specific expert guides to potential investors throughout all stages of the investment process. These priority sectors are:-

- Financial services
- Business and Professional Services
- Information Technology
- Media/Multimedia
- Technology (*especially electronics and biotechnology*)
- Telecommunications

- Tourism and entertainment
- Trade related services
- Transportation

7. InvestHK implements its investment promotion strategy mainly through the following activities:-

- (a) Contact senior executives of foreign and Mainland companies and provide them with the latest information on Hong Kong's investment environment and other developments;
- (b) Facilitate foreign and Mainland companies to set up in Hong Kong by connecting investors with relevant government departments and commercial organisations, as well as assisting them with other administrative, legal and financial logistics;
- (c) Provide aftercare service to existing foreign and Mainland companies in Hong Kong, and encourage them to expand their operations;
- (d) Through sponsoring major international conferences, introduce to participants the advantages of Hong Kong as an investment location; and
- (e) Organise activities to liaise with the foreign and Mainland business communities in Hong Kong, e.g. business community programmes.

RESOURCES

Financial Resources

8. The total approved allocation for InvestHK in 2003-04 is \$97.4 million, made up of the following:-

\$46.4 m	Operational expenses
\$21 m	Investment Promotion Block Vote (IPBV)
\$30 m	General non-recurrent expenses for enhancing investment promotion work (see paragraph 9 below)

9. To strengthen investment promotion efforts with a view to attracting more foreign and Mainland companies to establish their business in Hong Kong,

the Financial Secretary announced in his 2003 Budget Speech the allocation of additional resources of \$200 million to InvestHK to be expended over five years starting in 2003-04. The Director-General of Investment Promotion (DGIP) gave a progress report and introduced his proposals on the use of the additional funds to this Panel on 14 April 2003. Members were generally supportive of the proposals. The Finance Committee subsequently approved on 3 June 2003 the creation of a new commitment of \$200 million to enable InvestHK to strengthen its investment promotion efforts. A breakdown of the cash flow forecast is as follows:-

Financial year	\$ million
2003-04	30
2004-05	42.5
2005-06	42.5
2006-07	42.5
2007-08	42.5
Total	200

10. InvestHK has undertaken to utilise the additional resources in the following areas:-

- (a) Broaden the external representation of InvestHK to markets not already included;
- (b) Improve coverage in markets where InvestHK is already represented;
- (c) Strengthen the two Hong Kong-based units of InvestHK which target Beijing/ Tianjin and Shanghai/ Jiangsu/ Zhejiang;
- (d) Increase joint marketing activities with the PRD cities, and strengthen the Mainland coordination team in the Head Office of InvestHK;
- (e) Create a new dedicated team to coordinate activities of the Investment Promotion Ambassadors (IPAs);
- (f) Improve the marketing, research, information technology and knowledge management capacity of the department; and
- (g) Strengthen the sector teams in the Head Office to handle the additional

projects to be generated.

Human Resources

11. To undertake the various new initiatives, InvestHK has recruited a total of 14 additional staff in 2003-04 on non-civil service contract terms. Of these additional human resources, 13 new recruits have been primarily deployed to strengthen the capacity of the various sectoral and functional teams in the Head Office for exploring and identifying more potential leads of investment projects, and coping with the additional projects to be generated. Another new recruit has been deployed to strengthen the support for launching the IPA Scheme (as outlined in para. 19-21 below), and other corporate services in relation to the implementation of the various initiatives.

12. The Head Office of InvestHK is now made up of four divisions employing a total of 78 staff, as outlined in the organisation chart at **Enclosure 1**. The department's external representation, comprising 21 employed individuals and 11 consultants, is set out at **Enclosure 2**. Of the total 99 employees, 59 are non-civil service appointments and 40 are civil servants.

STRATEGY AND APPROACH

External Representation

13. In order to maintain close contact with potential investors in major foreign markets, InvestHK deploys staff to overseas Economic and Trade Offices (ETOs) including New York, San Francisco, Brussels, London and Tokyo. It also employs external consultants to take care of other markets, namely France, Germany and Italy. With the additional resources (as mentioned in para.9 above) , InvestHK has engaged additional external consultants in strategic locations, including Korea, India, the Middle East and Singapore, Kansai in Japan, Nordics (East Europe), Canada and Australia, in order to strengthen its work on investment promotion and to broaden its exposure and external representation.

14. The external consultants are responsible for formulating investment promotion strategy in the respective home countries/targeted cities, conducting

market research, identifying leads to potential investors, visiting targeted companies, organising publicity events such as seminars and receptions, developing links and networking with multiplier organisations and media, supporting investment promotion visits by Head Office teams, and responding to enquiries from potential investors by providing timely advice and practical assistance.

Investment Promotion in the Mainland

15. InvestHK also deploys staff to the Guangzhou Economic and Trade Office. In addition, it operates dedicated teams in the Head Office to promote direct investment from Beijing, East China, and other provinces in the Mainland. It has also devoted additional resources to encouraging more Mainland companies to invest in Hong Kong as the gateway to global markets, taking advantage of our first-class business infrastructure, free flow of goods and information, liquid capital markets and strong regulatory environment.

16. In the past 12 months, InvestHK has actively promoted these advantages in key Mainland cities such as Beijing, Shanghai, Jiangsu, Zhejiang, Xiamen, and Guangzhou. These activities have aroused the interest of Mainland enterprises in investing in Hong Kong, and reinforced Hong Kong's position as the springboard for Mainland private enterprises to expand regionally and globally.

Gateway to the Mainland

17. Hong Kong has always been viewed as the natural gateway to the Mainland of China, in particular the PRD. Another priority of InvestHK has been to promote Hong Kong's distinct advantages as a place for multinational firms to source from and gain access to the PRD. Since September 2002, a total of nine joint investment promotions with key PRD cities, such as Guangzhou, Shenzhen and Dongguan, and the Guangdong Province have been conducted in America, Europe, Japan and Korea, successfully introducing to overseas investors this Hong Kong-plus-PRD formula. About eight joint promotional efforts have been planned for 2004.

CEPA Promotion

18. InvestHK has spared no effort in encouraging the foreign and Mainland business sector to make full use of the advantages under CEPA. It co-organised two CEPA seminars in Seoul and Tokyo in October 2003 and set up a booth in the “CEPA SME Expo” in Hong Kong in December 2003. It also co-organised the “CEPA Promotion Week for Mainland, Hong Kong and Macau” in Beijing, Shanghai and Guangzhou in January and February 2004. It will continue to underline the many business opportunities offered by CEPA in its promotion work with a view to attracting more external direct investment to Hong Kong.

Investment Promotion Ambassador (IPA) Scheme

19. The IPA Scheme was launched in April 2003. The objective of the Scheme is to harness the energy and networking potential of prominent figures in the local business community to support Hong Kong’s external investment promotion efforts, with emphasis on its role as part of the Greater PRD economy. Business leaders who become IPAs serve as “door openers” to help InvestHK promote the strengths offered by Hong Kong, the PRD, and indeed the whole of the Mainland of China. As and when opportunities arise, IPAs may introduce InvestHK’s investment promotion staff to key decision making personnel in companies, which they think have potential to invest in Hong Kong. On other occasions, IPAs may be invited to speak at various external investment promotion events, as an “endorser”, to expound on the potential of the Greater PRD and the merits of using Hong Kong as a base for external direct investment.

20. The Scheme did not start off as smoothly as envisaged essentially because of the outbreak of Severe Acute Respiratory Syndrome (SARS) in the second quarter of 2003, when business travel were largely put on hold. Nevertheless, four external promotional activities have successfully been arranged with the help of the IPAs when the economy has gradually returned to normal. There were also other media events involving IPAs on both the local and international fronts. To provide better support to the IPAs, a dedicated team has been set up in InvestHK.

21. So far a total of 37 IPAs have been appointed. A list of the IPAs is at **Enclosure 3**. To strengthen the Scheme, more IPAs will be nominated in 2004 to make up a more sizeable pool (about 80 – 100 members) of IPAs.

Major International Business Events

22. InvestHK has been playing an active and supportive role in sponsoring and participating in major international business events. In 2001, the department sponsored the Fortune Global Forum at which President Jiang Zemin gave the opening address. In 2002, InvestHK sponsored the Forbes Global CEO Conference. In 2003, it took part in a number of major events held in Hong Kong, such as the 21st Pacific Insurance Conference with 300 senior executives from the life and health insurance industry; the Cable & Satellite Broadcasting Convention 2003 (CASBAA) with 91 speakers and some 1,100 delegates from around the world; the Chinese World Seminar which attracted 300 French CEOs based in France and Asia, sinologists and senior officials from France and China; and the BusinessWeek's CEO Forum in November 2003 which featured leading business executives and government officials, such as Chinese Vice Premier Zeng Peiyan and former US President Bill Clinton, and attracted over 600 delegates. In 2004, the Forbes Global CEO Conference will return to Hong Kong.

Corporate Communications Capacity

23. In order to enhance the effectiveness of its investment promotion efforts, InvestHK perceives the need to strengthen its corporate communications capacity, particularly in the areas of marketing, public relations, event management, market research, knowledge management and information technology. To tap best practices, specialist skills and expertise in these areas, InvestHK has appointed a consultant to provide the whole range of corporate communications services. Specifically, the objectives of corporate communications in the context of InvestHK's work are to:-

- (a) Promote Hong Kong's competitive advantages as the best choice of business location in Asia and the unrivalled gateway to China;
- (b) Increase the awareness of InvestHK as the government department spearheaded to attract inward investment, and its services among international target groups and local stakeholders;
- (c) Maximise positive media coverage in Hong Kong, the Mainland and other overseas markets by further developing relations with the local and international media, in particular the business media;

- (d) Raise the profile of Hong Kong as well as InvestHK by attracting and supporting key international business and other events; and
- (e) Enhance the marketing capacity of InvestHK by strengthening the capability in market research, knowledge management, and the use of information technology.

PARTNERSHIP

External Economic and Trade Offices (ETOs)

24. The Hong Kong Government has established ETOs in 11 locations, namely Guangzhou, Singapore, Sydney, Tokyo, Brussels, London, Geneva, New York, San Francisco, Washington DC and Toronto. With the exception of the Geneva ETO, whose primary role is to represent Hong Kong at the World Trade Organisation (WTO), the ETOs seek to promote Hong Kong's economic and trade interests by enhancing understanding of the HKSAR among decision-makers and opinion-formers; monitoring developments that may affect Hong Kong; and liaising with the business and commercial sectors in the economy under their purview. They also organise events to promote the overall image of Hong Kong. In addition, they (other than the Washington and Geneva ETOs) seek to attract direct investment to Hong Kong.

25. Of the 11 ETOs, InvestHK maintains staff in six offices (viz. the New York, San Francisco, Brussels, London, Tokyo and Guangzhou ETOs), each operating an Investment Promotion Unit (IPU). The IPUs form an integral part of the respective ETOs and report to the respective heads of office. This arrangement enables sharing of resources between staff of the ETOs and InvestHK including office space, equipment and administrative and other supporting staff in order to achieve economy of scale.

Trade Development Council (TDC)

26. InvestHK also maintains close working relations with the external offices of the TDC as well as its headquarters in Hong Kong. The mission of InvestHK is to attract foreign direct investment, whereas the main function of

TDC is to promote, assist and develop Hong Kong's trade in goods and services with places outside Hong Kong, with particular reference to exports. Both agencies have been conducting intensive external promotional activities to deliver their respective messages to the foreign and Mainland business community.

27. Both InvestHK and TDC are fully aware of the need for good coordination of their activities with a view to avoiding duplication and conflict, and achieving synergy and economy of scale. A mechanism has been established for the two agencies to meet regularly to exchange plans and itineraries, and to discuss possible ways of cooperation. The arrangement is working satisfactorily. For instance, InvestHK has shared TDC's exhibition space in some overseas exhibitions to promote Hong Kong. On the other hand, TDC has contributed guest speakers for seminars organised by InvestHK.

PROGRESS & RESULTS

28. In 2003, InvestHK successfully assisted 142 foreign and Mainland companies to set up or expand operations in Hong Kong, representing an increase of 21% over the result in 2002. These projects have brought in at least HK\$2.49 billion and created more than 2,456 jobs in Hong Kong. A summary of the results since the department was established in 2000 is provided as follows:-

	<u>2000</u> (Jul – Dec)	<u>2001</u>	<u>2002</u>	<u>2003</u>
No. of projects completed*	35	99	117	142
Jobs created**	347	1,504	2,075	2,456
Investment amount** (\$ million)	506	3,500	1,360	2,493

* These represent companies assisted by InvestHK, and do not include companies set up in Hong Kong without such assistance.

** As reported by the companies assisted by InvestHK themselves. Not all are willing to disclose the data.

29. All the 142 companies assisted by InvestHK in 2003 to establish or

expand business in Hong Kong have substantial business activities in Hong Kong. Companies registered but without substantial business activities in Hong Kong are not the target customers of InvestHK. In fact, there are a number of other foreign companies established in Hong Kong without the assistance of InvestHK. According to the record of Company Registry, there were 724 companies registered as overseas companies under the Companies Ordinance in 2003. However, this figure does not truly reflect the activities of foreign companies in Hong Kong. Some of these newly registered companies may actually be Hong Kong companies, which for taxation or other reasons have registered as overseas companies. On the other hand, some foreign companies may have chosen to register as local Hong Kong companies and are therefore not included in the overall figure. There is no information available on how many of these companies actually carry out substantial business activities in Hong Kong.

Analysis

30. **Enclosure 4** presents the breakdown of projects completed by InvestHK by industry sectors. On a cumulative basis, the largest number of completed projects came from the trade related services sector. This is followed by information technology, technology, business and professional services and telecommunications. The sector which shows the greatest growth is tourism and entertainment.

31. In terms of geographical location, the majority of the completed projects have their parent companies in Europe, the USA or Japan. Details of their distribution are in **Enclosure 5**. It can be seen that the Mainland has become an increasingly important source of projects. This reflects the more liberal external investment regime (“going out”) adopted by the Mainland, the strength of Hong Kong in performing the role of a springboard to the world for Mainland companies, and the strengthened efforts by InvestHK to attract investment projects from the Mainland.

32. A breakdown of the completed projects by the amount of capital investment is at **Enclosure 6**. The results show that most of these newly established companies in Hong Kong started with a relatively small amount of capital. More than 70% of the companies started with a capital of less than \$10 million. This is not unexpected as the figures only represent the initial investments when the companies were first established in Hong Kong. Normally further investment is made as the companies gradually gain a foothold

in the market. However, we also see a few cases in which the newly established company brought in more than \$100 million.

33. **Enclosure 7** gives an analysis of the completed projects in terms of the number of jobs created. Again, the table illustrates that most external companies tend to start small. This also corresponds with the situation in Hong Kong that most of our companies are small and medium enterprises.

34. About 87% of Hong Kong's GDP is service related. InvestHK has borne this in mind in formulating its priority sectors and promotion strategy. Most of its target sectors are service oriented, except for a few sectors e.g. technology, which may involve manufacturing activities. Nevertheless, some manufacturing projects are taken care of by a special project team responsible for sectors other than the nine priority sectors. **Enclosure 8** gives a breakdown of the completed projects by manufacturing and services.

35. There are relatively fewer manufacturing projects essentially because Hong Kong's strengths are in the services sectors. Investors in manufacturing industries are mainly concerned about the high land and labour costs which do not make Hong Kong particularly attractive. Apart from manufacturing processes with high value-added contents or substantial intellectual property input, it is rather difficult to persuade investors to locate manufacturing plants in Hong Kong. InvestHK's strategy is, therefore, to encourage those investors interested in manufacturing in the Mainland, in particular the PRD, to conduct their service support activities, such as design, sourcing, accounting, legal, insurance, management and marketing, etc in Hong Kong.

INFLOW OF EXTERNAL DIRECT INVESTMENT

36. Despite the challenges and keen competition in the region for external direct investment, Hong Kong has maintained its leading position as a preferred destination for external investors. In the latest "World Investment Report 2003" released by the United Nations Conference on Trade and Development (UNCTAD), Hong Kong was named again as the best-performing host economy for foreign direct investment (FDI) in Asia. Hong Kong was the second largest recipient of FDI in Asia after China, and the 15th in the world. According to the Census and Statistics Department (C&SD), the inflow of

external direct investment in 2002 was US\$13.7 billion². For the first nine months of 2003, the direct investment inflow has reached US\$14.8 billion, which already exceeded the 2002 annual total. The external direct investment figures for the past few years are summarised as below:-

US\$ billion

1998	1999	2000	2001	2002	2003 (Jan – Sept)
14.8	24.6	61.9 ³	23.8	13.7 ²	14.8*

* The FDI survey conducted by C&SD did not collect information on the amount of capital that subsequently remained in Hong Kong or transferred to other destinations through Hong Kong.

37. Hong Kong is now the chosen base for over 3,200 regional headquarters (RHQ) and regional offices (RO) representing companies from around the world. According to the annual survey conducted by the C&SD in June 2003, there were 966 regional headquarters in Hong Kong, an all-time high. Another 2,241 companies operated regional offices in the city, up 3.2% from the previous year. More details are set out in **Enclosure 9**.

38. The C&SD survey in 2003 shows that the top five important factors affecting the choice of setting up RHQ/ROs are low and simple tax system; free flow of information; political stability and security; corruption free government; and rule of law and independent judiciary. All these factors are regarded by over 50% of the surveyed companies to be favourable factors for Hong Kong as a location for regional operation. In fact, the low and simple tax system is regarded as a favourable factor for Hong Kong by the largest proportion of companies (71%). Other factors with a large proportion of favourable rating for Hong Kong include free flow of information (68%); absence of exchange

² As reported in the World Investment Report 2003. The figure has subsequently been adjusted by C&SD to US\$9.7 billion, in the light of new information. According to C&SD, the significant drop from 2001 was mainly attributable to negative direct investment flow related to inter-company debt transactions in the year.

³ The 2000 figure of US\$61.9 billion was boosted by a single transaction relating to China Mobile. The local subsidiary, China Mobile (Hong Kong) Limited, acquired seven mobile networks in the Mainland from its parent company for a total price of \$32.8 billion. It paid for these networks partly in cash (\$9.6 billion) and partly by the issue of new shares to the parent company (\$23.3 billion). The result was that our Balance of Payments statistics recorded a direct investment outflow of \$32.8 billion and an inflow of \$23.3 billion for the transaction.

controls (68%); communication, transport and other infrastructure (67%); and geographical location (65%). On the other hand, some factors directly affecting the operation costs are regarded by some companies as comparatively less favourable for Hong Kong, namely the costs and availability of residential accommodation, business accommodation, and staff. However, it is worth noting that there have been substantial downward adjustments of the property and labour costs in the recent years. To some extent, this has helped reduce the operation costs of overseas companies in Hong Kong.

INTERNATIONAL RECOGNITION

39. Despite its relatively short history, InvestHK's performance as an inward investment promotion agency has won international recognition. Strategic Direct Investor magazine presented the department with the award for "Best Overall Managed Investment Promotion Agency (IPA) in Asia Pacific" in 2003. In the same Asia Pacific IPA Awards 2003, InvestHK also won awards in other categories, including "Best North Asia IPA", "Best IPA in Creating Partnerships" and "Best IPA in Attracting Financial Services Investment".

40. In addition, InvestHK was selected as one of Hong Kong's "Superbrands" in 2003 by top advertising and marketing professionals. The department was also named "category winner" in the Banking, Financial Services category of the Superbrands.

WAY FORWARD

41. With the additional resources (mentioned in para.9 above), InvestHK has strengthened its investment promotion efforts which will enable more frequent overseas visits to be arranged to call on companies with an interest in Hong Kong by either its in-house staff or external consultants. It will work in collaboration with Consulates and chambers of commerce to organise business community programmes in conjunction with some of these visits. It will continue to offer value-added assistance in the investment process from decision making to setting up of operations in Hong Kong, as well as providing after-care services.

42. With the implementation of CEPA, InvestHK will continue to organise or take part in more seminars in the coming months to provide information and advice to Mainland companies planning to expand abroad, and to companies abroad interested in investing in Hong Kong and the Greater PRD.

43. InvestHK will also continue to sponsor and participate in major international business events in the coming year with a view to promoting inward investment. For example, both the BusinessWeek's Asia Leadership Forum and the Forbes Global CEO Conference will return to Hong Kong in 2004. InvestHK will also actively take part in targeted overseas seminars and events to raised Hong Kong's profile, inform investors about Hong Kong's many advantages and to strengthen Hong Kong's position as an investment destination.

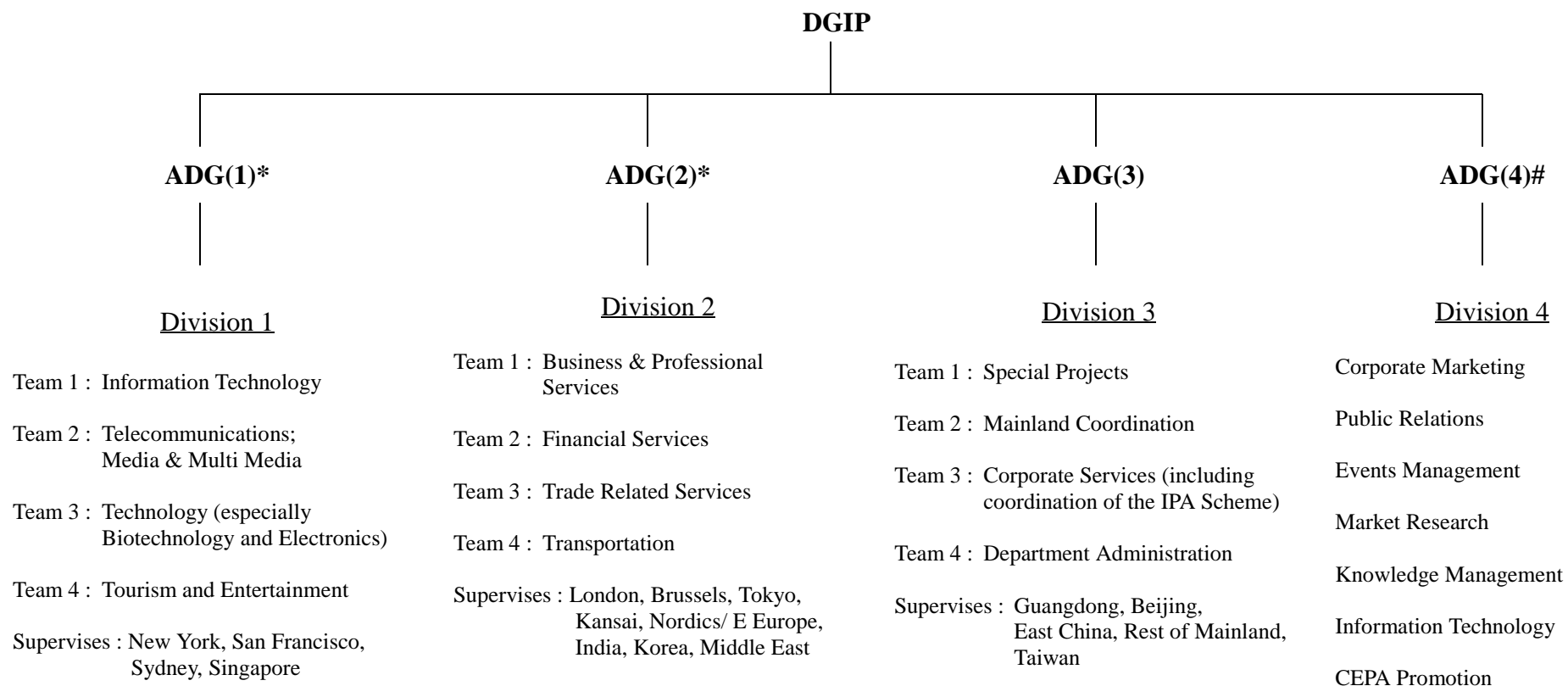
44. It is always difficult to forecast the results of investment promotion efforts because many variables are not within the control of InvestHK, e.g. the state of world economy. Moreover, investment projects tend to have a long lead-time. Nonetheless, InvestHK has set itself the target of facilitating the completion of some 200 projects per annum starting in 2004.

ADVICE SOUGHT

45. Members are invited to note the inward investment promotion work of InvestHK, and the progress and achievements to date.

InvestHK
March 2004

Organisational Structure of InvestHK Head Office



* *Non-civil service posts*

Leading member of the consulting team deployed from the Corporate Communications Consultant

InvestHK External Representation

Office Location	Area of Responsibility	Representation	Remarks
New York	US East	1 IRO ¹ + 2 ISOs ²	Located in New York ETO. IRO is a contract civil servant from HK. ISOs are locally recruited.
San Francisco	US West	1 IRO + 2 ISOs	Located in San Francisco ETO. IRO is a contract civil servant from HK. ISOs are locally recruited.
Toronto	Canada	Consultant Company	Supervised by Toronto ETO.
Brussels	EU	1 IRO + 1 ISO	Located in Brussels ETO. Both are locally recruited.
Paris	France	Consultant Company	Supervised by Brussels ETO.
Steisslingen	Germany	Consultant Company	Supervised by Brussels ETO.
Milan	Italy	Consultant Company	Supervised by Brussels ETO.
London	UK and non EU Europe	1 IRO + 1 ISO	Located in London ETO. Both are locally recruited.
Tokyo	Japan	1 IRO + 1 ISO	Located in Tokyo ETO. IRO is locally recruited. ISO is a Trade Officer posted from HK.
Sydney	Australasia	1 Consultant	Located in Sydney ETO. Individual, locally engaged.
Guangzhou	Guangdong	1 IRO + 2 ISOs	Located in Guangzhou ETO. IRO and one ISO (a Trade Officer) are permanent civil servants from HK. One ISO is locally engaged.
Shanghai	Shanghai, Jiangsu and Zhejiang	1 IRO + 2 ISOs	All are NCSC staff and HK based.
Beijing	Beijing and Tianjin	1 IRO + 2 ISOs	All are NCSC staff and HK based.
Singapore	Singapore	Consultant company	Supervised by Singapore ETO.
Osaka	Western Japan	Consultant company	Supervised by Tokyo ETO.

¹ Investment Relations Officer

² Investment Support Officer

Office Location	Area of Responsibility	Representation	Remarks
Göteborg	The Nordic countries	Consultant company	Supervised by Brussels ETO.
Mumbai	India	Consultant company	Locally engaged and supervised by Head Office of InvestHK.
Seoul	Korea	Consultant company	Locally engaged and supervised by Head Office of InvestHK.
Muscat and Dubai	Middle East	Consultant company	Locally engaged and supervised by Head Office of InvestHK.

Investment Promotion Ambassador Scheme**Member List – Batch One**

Mr Philip Chen	陳南祿	Director & Chief Operating Officer, Cathay Pacific Airways Ltd
Mr Christopher Cheng, OBE, JP	鄭維志	Chairman, Wing Tai Corporation Ltd
Dr Raymond Chien, GBS, JP	錢果豐	Executive Chairman, chinadotcom corporation
Mr Po Chung	鍾普洋	Chairman emeritus, DHL International HK Ltd
Mr David Eldon, JP	艾爾敦	Chairman, Hongkong & Shanghai Banking Corporation
Dr Victor Fung	馮國經	Chairman, Li & Fung Distribution Group
Dr William Fung	馮國綸	Group Managing Director, Li & Fung Ltd
Dr Hari Harilela, GBS, OBE, JP	夏利萊	Chairman, Harilela Group
Mr James Hughes-Hallett	何禮泰	Chairman, Swire Pacific Ltd
Mr Bill Kong	江志強	Executive Director, Edko Films Ltd
Mr Leo Kung	孔令成	Director & Deputy Chief Manager, Chekiang First Bank
Dr Hon David Li, GBS, JP	李國寶	Chairman & Chief Executive, The Bank of East Asia
Mr Richard Li	李澤楷	Chairman, PCCW Ltd
Mr Victor Lo, GBS, JP	羅仲榮	Chairman & Chief Executive, Gold Peak Industries (Holdings) Ltd
Mr Patrick Ma	馬清鏗	Director & General Manager, Tai Sang Bank Ltd
Mr James Thompson	詹康信	Chairman, Crown Worldwide Holdings Ltd
Dr Allan Wong, MBE, JP	黃子欣	Chairman, Vtech Holdings Ltd
Mr Peter Wong	王冬勝	CEO, Greater China, and Director, Standard Chartered Bank
Mr Peter Woo, GBS, JP	吳光正	Chairman, Wheelock & Co Ltd

Investment Promotion Ambassador Scheme**Member List – Batch Two**

Mr M. Arunachalam	夏雅倫	Chairman, The Indian Chamber of Commerce in HK
Mr Didier Balme	鮑文德	Chief Executive, BNP Paribas Hong Kong Head of North East Asia BNP Paribas
Mr Nicholas Brooke, BBS, JP	蒲祿祺	Chairman, Professional Property Services Ltd
Mr The Hon Bernard Chan	陳智思	Executive Director, Asia Financial Group
Mr Ronnie Chan	陳啓宗	Chairman, Hang Lung Group
Mr Vincent Cheng, OBE	鄭海泉	Vice-Chairman & Chief Executive, Hang Seng Bank
Mr David Cunningham Jr	簡力行	President, Asia Pacific FedEx Express
Mr Canning Fok	霍建寧	Group Managing Director, Hutchison Whampoa Ltd
Mr Alan Johnson	莊信	Chairman, The Australian Chamber of Commerce in HK
Mr Fumiya Kokubu	國分文也	President of HK Japanese Chamber of Commerce & Industry
Mr Peter Lau	劉國權	Chairman, Giordano International Ltd
Mr Norman Lyle	黎樂民	Chairman, The British Chamber of Commerce in HK
Mr Bertrand Michaud	馬博鈞	President, The French Chamber of Commerce in HK
Mr Robert Ng	黃志祥	Chairman, Sino Group
Mr Anthony Nightingale	黎定基	Chairman, HK General Chamber of Commerce
Mr Horst Julius Pudwill		Chairman & Chief Executive Officer, Techtronics Industries Ltd
Dr Helmut Sohmen, OBE	蘇海文	Chairman, Worldwide Shipping Group Ltd
Mr Allan Zeman	盛志文	Chairman, Lan Kwai Fong Holdings Ltd

Completed Projects by InvestHK
Breakdown by Industry

Sector	2000*	2001	2002	2003	Total
FS	2	9	12	15	38
BPS	4	7	15	15	41
IT	5	16	10	15	46
Tech	5	11	12	14	42
Tel	3	16	12	10	41
M&M	-	4	2	5	11
T&E	1	1	2	7	11
TRS	2	10	21	23	56
Tran	2	4	12	15	33
Others	11	21	19	23	74
Total	35	99	117	142	393

* July – December figures

FS - Financial Services

BPS - Business and Professional Services

IT - Information Technology

Tech - Technology

Tel – Telecommunications

M&M - Media & Multimedia

T&E - Tourism and entertainment

TRS - Trade related services

Tran - Transportation

Completed Projects by InvestHK
Breakdown by Geographical Location

Region	2000*	2001	2002	2003	Total
Europe	11	30	54	37	132
USA	12	36	28	35	111
Japan	7	24	12	24	67
Mainland	0	0	6	17	23
Canada	2	3	5	4	14
Others	3	6	12	25	46
Total	35	99	117	142	393

* July – December figures

Completed Projects by InvestHK
Breakdown by Capital Investment

Capital Investment (HK\$ million)	2000*	2001	2002	2003	Total
≤ 1	18	15	19	25	77
> 1 ~ ≤ 5	10	22	24	38	94
> 5 ~ ≤ 10	0	7	13	20	40
> 10 ~ ≤ 50	2	6	17	17	42
> 50 ~ ≤ 100	0	4	7	6	17
> 100	1	8	1	3	13
N/A**	4	37	36	33	110
Total	35	99	117	142	393

* July – December figures

** Some companies were not willing to reveal the information to InvestHK.

Completed Projects by InvestHK
Breakdown by Number of Jobs Created

No. of Jobs Created	2000*	2001	2002	2003	Total
1 - 2	7	22	22	47	98
3 - 5	17	28	29	36	110
6 - 10	6	16	16	18	56
11 - 20	1	7	17	9	34
21 - 50	1	8	11	8	28
51 - 100	2	5	6	1	14
> 100	0	2	5	5	12
N/A**	1	11	11	18	41
Total	35	99	117	142	393

* July – December figures

** Some companies were not willing to reveal the information to InvestHK.

Completed Projects by InvestHK
Breakdown by Manufacturing/Services Sectors

	2000*	2001	2002	2003	Total
Manufacturing	1	3	6	2	12
Services	34	96	111	140	381
Total	35	99	117	142	393

* July – December figures

**Regional Headquarters (RHQs), Regional Offices (ROs) and
Local Offices (LOs) in Hong Kong**

	2001	2002	2003	Change (2002-2003)	% Change (2002-2003)
RHQs	944	948	966	+18	+1.9%
ROs	2293	2171	2241	+70	+3.2%
LOs	1230	1748	2207	+459	+26.3%
RHQs + ROs	3237	3119	3207	+88	+2.8%
RHQs + ROs + LOs	4467	4867	5414	+547	+11.2%

Source: Census and Statistics Department