



Closer Economic relationship with the Mainland

Flow of People

Individual Visit scheme

CEPA

Objectives

To reduce or eliminate barriers on substantially all the trade in goods between the two sides

To Achieve free trade in services through reduction or elimination of substantially the discriminatory measures

To promote trade and investment facilitation

zero tariff

Products produced in HK and exported to the Mainland

High-end products

Preferential treatment

Service sectors in the Mainland

48 service sectors in the Mainland

E.g. Banking, securities, telecommunications, transport, legal services, social services, technical testing, analysis services

Recognition of professional qualifications e.g. Accountants, doctors and dentists

Trading partners

Flows of goods

Important market for HK's exports

Largest source of HK's imports and re-exports

E.g. Food and consumer goods from the Mainland

Flows of services

Financial and business services

E.g. Banking and finance, insurance, transport, accounting, tourism, marketing and sales promotion.

Flow of investment

Foreign direct investment

46.3% FDI in Mainland from HK

E.g. Factories, business, real estate, hotels and infrastructure development

36.3% FDI in HK from the Mainland

E.g. Set up Subsidiaries or companies in HK

HK's good financial infrastructure and sound legal system

Funding center for the mainland

Fund raising (Issuing shares on the stock market)

Borrowing money from financial institutions