

Doing Business in Hong Kong and China

Ms Melissa Pang, President

Mr Stephen Hung, Past President and Council Member

The Law Society of Hong Kong

7 September 2019



Copyright © 2019 The Law Society of Hong Kong. All Rights Reserved.

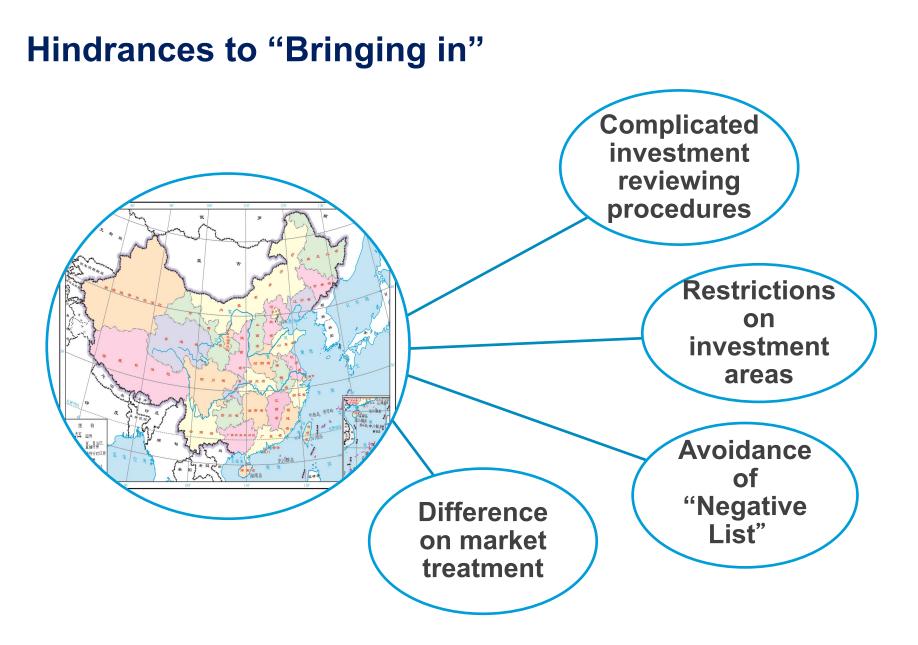
Major obstacles for "Going Global" and "Bringing In"

DANGEROUS CURVE AHEAD

"Going Global" and "Bringing In"

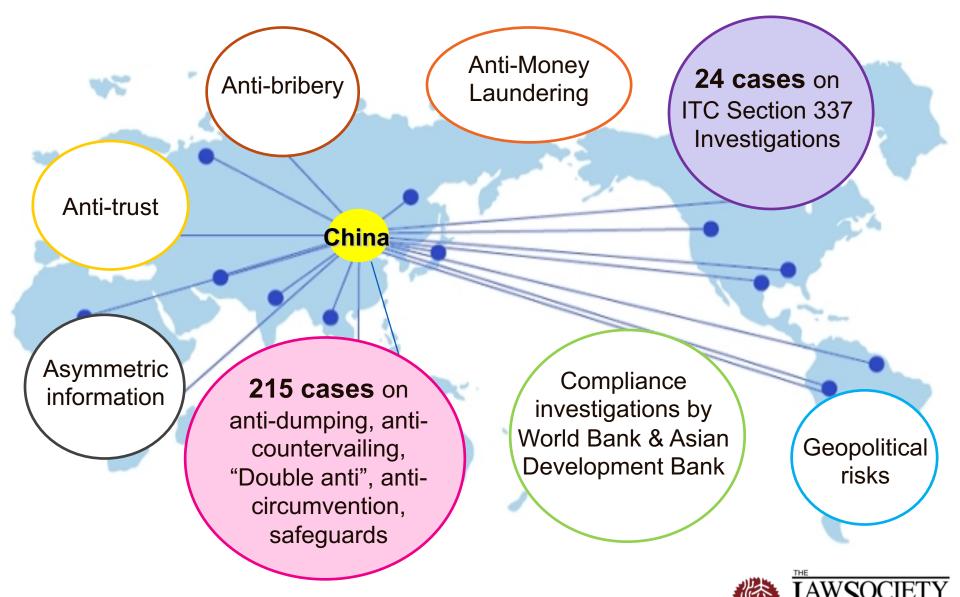








Impediments to "Going Global"



Risks Chinese enterprises may face when investing in overseas market

- Project being rejected by regulatory bodies or the court for the following reasons:
 - The nature of the business to be acquired threatening the country's safety
 - Foreign investors being capable or intentional in deploying or causing damage
 - Violating anti-monopoly regulations
 - Failure to meet the anti-bribery requirement





Examples of companies rejected by CIFUS

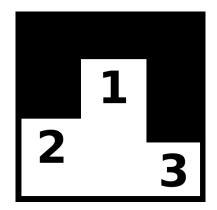


Hong Kong as a Gateway –

WHY?

International Ranking

- Ranked 1st in terms of economic freedom for 25 years (1995-2019) according to the Heritage Foundation
- Ranked 2nd in terms of most competitive economy in the World Competitiveness Yearbook 2018 and 2019 as published by the International Institute for Management Development
- Ranked 4th in terms of most preferred seats of arbitration according to the 2018 International Arbitration Survey by the Queen Mary University of London
- The largest offshore renminbi clearing centre*
- The preferred listing and fundraising venue in Asia

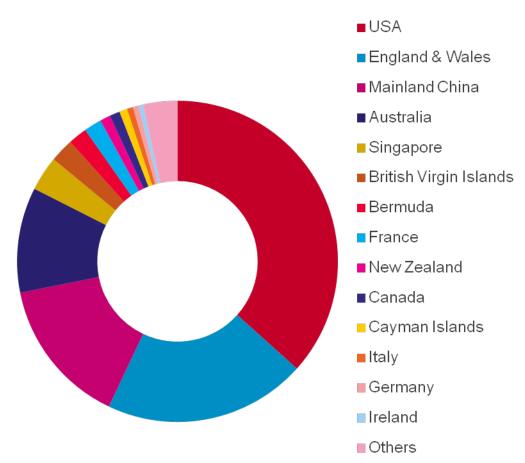




Why Hong Kong?

- Terrific geographical location
- Facilitating the flow of people, goods, capital and information between Hong Kong and other Asian cities
- International legal platform



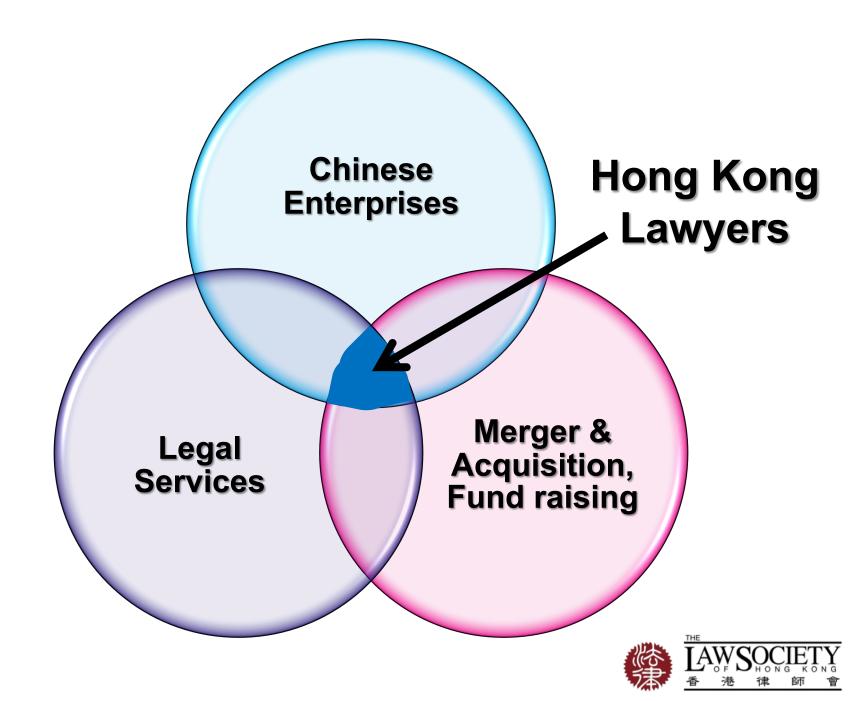




Why Hong Kong? (cont'd)

Preferred venue for multinational enterprises

"Hong Kong has well-developed legal and banking "Hong Kong has a very strong talent pool. A lot of them have international exposure with working experience for system, convertible currency, high education level, as multinational firms. And, it is not difficult to find talent who is well as a free trade port. All these advantages are bilingual or even trilingual. Language skill is crucial to our creating immense opportunities here." Michael Zankel, Survey of even uningual. <u>Language and is virue in our</u> Managing Director of Gebrüder Weiss. "The Greater Bay area languages — seamless communications with the best level of is a term that we have heard a lot recently. The fact is we have been witnessing the gradual integration of these areas service is the key," Dean Hill, Executive Director of Eze into one over the years," he said, "we have to find out the purpose of different locations and how they work together." Castle Integration said. "Hong Kong is considered the perfect hub for PwC Experience Centre from the geographical, client and talent perspectives. The Richard Grasby, Partner of Charles Russell city's strategic location facing both North and South allows us Speechlys, pointed out that Hong Kong is to connect with the Pearl River Delta and southeast Asia. There very vibrant and energetic. "It is a very is also a strong multinational client base for financial services, modern city in terms of connectivity and retail and consumer products and other sectors. Despite keen infrastructure. The strong infrastructure competition from different firms to recruit digital and creative talent, links to many global hubs make the city a Hong Kong has further enhanced education for creative design unique place for a UK law firm planning to to nurture and retain more talent in the region," Colin Light, PwC expand into Mainland China and the region," China and Hong Kong Experience Centre and Digital Services Leader, said.



Quality Manpower

- 10,077 practising Hong Kong solicitors and 928 local law firms
- Hong Kong attracts a lot of foreign lawyers and foreign law firms to practice the law of their home jurisdictions in Hong Kong
 - 88 registered foreign law firms from 22 jurisdictions
 - 1,632 registered foreign lawyers from 32 jurisdictions
- Multiple language capabilities
- One-stop legal services to meet different clients' needs





Quality Manpower (cont'd)

 Skeleton key - experienced in handling legal matters involved multijurisdictions and have access to global network

Transactions with HK lawyers' participations:





International dispute resolution centre

- Leading arbitration centre in Asia
- Mature and user-friendly
- Reputable local and international arbitration institutions
 - Hong Kong International Arbitration Centre ("HKIAC")
 - International Chamber of Commerce ("ICC")
 - China International Economic and Trade Arbitration Commission
- The Law Society of Hong Kong: "Panel of Arbitrators" established in September 2017
- Top 5 preferred seats for arbitration globally
- Ranked No.4 globally in the efficiency of legal framework in settling disputes



Belt and Road Initiative

Global Connection

• Signed MOUs with 31 overseas lawyers associations and 44 lawyers associations from Greater China

1st Belt and Road Conference (May 2017)

• 39 lawyers' associations from 24 jurisdictions signed the *Hong Kong Manifesto*, pledging to promote synergy, strategic partnership and collaboration, and to promote promote Model Law on Business and Trade amongst the signing organisations

2nd Belt and Road Conference (September 2018)

 34 lawyers' associations from 17 jurisdictions signed the LawTech Alliance, pledging to promote a shared ethical A.I. framework among lawyers from the Belt and Road regions





THANK YOU

The Law Society of Hong Kong

For inquiries Phone: +852 2846 0500 Email: <u>adceag@hklawsoc.org.hk</u>

