

# Hong Kong - Alberta Relations



*This map is a generalized illustration only and is not intended to be used for reference purposes. The representation of political boundaries does not necessarily reflect the position of the Government of Alberta on international issues of recognition, sovereignty or jurisdiction.*

## PROFILE

**Population:** 7.2 million (2012)

**Language:** English and Chinese (mainly Cantonese)

**Government:** Special administrative region of China, with its own mini-constitution (the Basic Law). Presided over by a chief executive, whose appointment is strongly influenced by China.

**Head of State:** President Xi Jinping (since March 2013)

**Head of Government:** Chief Executive Chun-ying LEUNG (elected July 2012)

**Currency:** \$1 CAD = 7.61 Hong Kong Dollars (2013 average)

**GDP:** US \$263.3 billion (2012)

**GDP (PPP):** US \$369.3 billion (2012)

**GDP Per Capita (PPP):** US \$51,627 (2012)

**GDP Growth Rate:** 2.1 percent (2008-2012 average)

**Inflation:** 2.4 percent (2008-2012 average)

**Key Industry Sectors:** Shipping, textiles, clothing, watches, clocks, toys, plastics, tourism, banking, and electronics.

*Sources:*

*Bank of Canada, Economist Intelligence Unit*

## DID YOU KNOW?

- Hong Kong is a member of Asia Pacific Economic Cooperation (APEC) and the World Trade Organization (WTO).
- After over 150 years of British rule, Hong Kong became a Special Administrative Region of the Peoples' Republic of China (PRC) on July 1, 1997. Hong Kong continues to enjoy a high degree of autonomy (expected until at least 2047, fifty years after the transfer).
- Hong Kong remains an important entry point to the Chinese market. Hong Kong importers often take Canadian products into China, and sales in Hong Kong can be used to showcase Canadian products to buyers in China.

## RELATIONSHIP OVERVIEW

- Since 1981, Alberta has maintained an international office in Hong Kong to promote trade and investment.
- An estimated 295,000 Canadians live and work in Hong Kong, one of the largest Canadian expatriate communities.
- There are more than 100,000 alumni from Canadian universities in Hong Kong with over 20 active alumni associations. Alberta alumni in Hong Kong are important business contacts for Albertans.

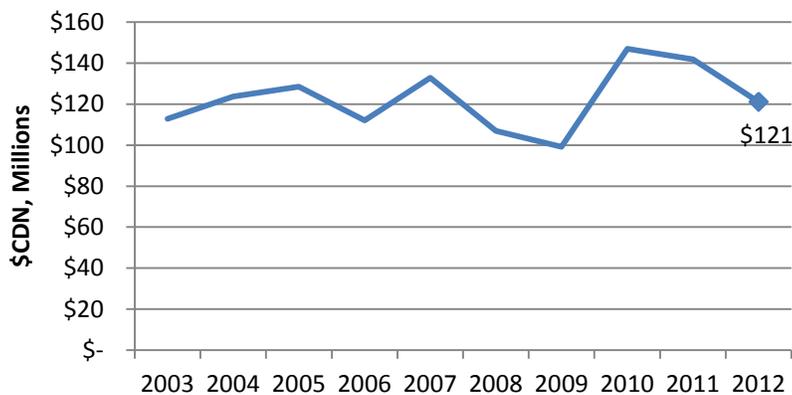
## TRADE AND INVESTMENT

- In November 2012, Canada and the Hong Kong Special Administrative Region signed a new double taxation treaty to remove tax barriers and encourage bilateral trade and investment (pending ratification).
- From 2008-2012, Alberta's exports to Hong Kong averaged \$123.2 million per year and included exports of meat (primarily beef), plastics, electrical machinery, hides and skins, and canola oil.
- From 2008-2012, direct imports to Alberta from Hong Kong averaged \$14.9 million per year and included electrical machinery, clothing, precious metals, iron and steel products and machinery. This figure does not include goods sold in Alberta that arrived via distribution hubs in other provinces.

## AGRICULTURE

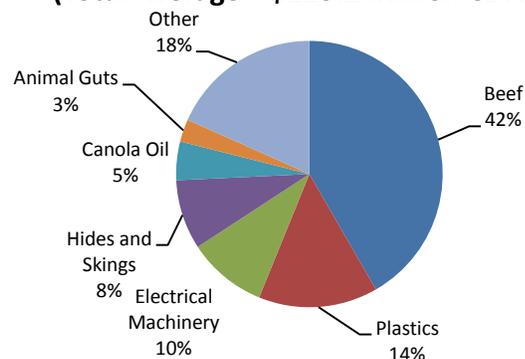
- In 2012, Alberta agri-food exports to Hong Kong totaled \$80.6 million, a 14 per cent decrease from 2011. Agricultural exports consisted mostly of beef (\$61.3 million), animal guts (\$5.5 million), and canola seed (\$5.0 million).
- Alberta accounted for 20 per cent of Canada's total agri-food exports to Hong Kong in 2012, the third highest among Canadian provinces and territories behind Saskatchewan and Ontario.
- Hong Kong is Alberta's third largest market for beef exports.

## Alberta's Exports to Hong Kong 2003-2012



## Alberta's Merchandise Exports to Hong Kong 2008-2012

(Total Average= \$123.2 Million CDN)



- Food consumption trends in Hong Kong suggest growth in meat, private label grocery items, health and organic foods. Growing consumer demand for convenience foods also translates into markets for prepared foods and sauces. Alberta and Canada have built a distinct reputation as suppliers of clean and safe products for the market.

### EMERGING OPPORTUNITIES

- Export opportunities for Alberta companies include value-added agri-food products (e.g., canola oil, meat products and natural foods), education and training services, tourism and ICT-related industry subsectors (e.g., telecommunications, geomatics, intelligent transport systems, tele-health and medical devices).
- There are investment and joint venture opportunities in new emerging agri-food products (e.g. nutraceutical and functional foods).
- There are opportunities for Alberta companies to gain market access into mainland China through the landmark 2003 Closer Economic Partnership Arrangement (CEPA) between Hong Kong and mainland China.
- The Seventh Supplement to the Closer Economic Partnership Arrangement, announced in May 2010, further relaxes market access in 14 service sectors, which include medical services, construction, technical testing, analysis and product testing, distribution, banking, securities, social services, tourism, cultural services, air transport, qualification examinations for professionals and technicians.
- Infrastructure projects of interest to Albertans include intercity transport networks, road expansion, as well as new sports and cultural facilities.

- Over the past several years, the Hong Kong government has invested heavily in new waste treatment facilities and environmental programs to alleviate air, water, sewage and solid waste management problems.

### EDUCATION

- The Ministry of Enterprise and Advanced Education signed a Memorandum of Understanding for Cooperation with the Croucher Foundation of Hong Kong in 2009.
- In November 2008, the University of Alberta held an International Centenary celebration in Hong Kong to recognize approximately 4,000 alumni from East and Southeast Asia. The event also marked the ten year anniversary of the University of Alberta's first Hong Kong convocation in 1998.
- The Christian Alliance P.C. Lau Memorial International School of Hong Kong was accredited as an out-of-province Alberta school in 2007.
- The University of Alberta and University of Calgary have active exchanges and research links with several leading universities in Hong Kong.
- Hundreds of Hong Kong secondary and postsecondary students visit Alberta to study and receive English language training.

### SCIENCE AND TECHNOLOGY

- Alberta and Hong Kong have developed several science and technology agreements designed to enhance business co-operation and partnership, as well as facilitate market access to China for Alberta companies.

### COMMUNITY

- Many of Alberta's 137,000 Chinese Canadians trace their family roots to Hong Kong and the surrounding regions in southern China.

### RECENT VISITS

- May 2013: Alberta's President of Treasury Board and Minister of Finance visited Hong Kong to conduct a series of meetings with business and government leaders in Hong Kong. While in Hong Kong, the Minister provided a key note address at an "Invest in Alberta" seminar held at the Hong Kong Stock Exchange. The seminar was an anchor event amongst a broader "Alberta Week in Hong Kong" initiative which included a series of promotions and business activity with local, federal, and in-market partners.
- September 2012: The Associate Minister of International and Intergovernmental Relations led a mission to Beijing, Tianjin and Hong Kong to expand economic, research, educational and cultural opportunities between Alberta and China.
- June 2012: The Premier and the Minister of International and Intergovernmental Relations led missions to Hong Kong and Beijing to participate in an energy conference, business meetings and roundtable events with Alberta and Chinese companies, and to reinforce business and political relations.
- May 2012: The Minister of Education led a mission to Hong Kong, Guangzhou, Macau and South Korea to strengthen educational ties with Asia.

### REPRESENTATION

- Ms. Gloria Lo is the Director of the Hong Kong Economic and Trade Office in Toronto.
- Mr. J. Ian Burchett is the Consul General of Canada to Hong Kong and Macao.
- Alberta's Representative in Hong Kong is Mr. Gary Mar.

### For more information, contact:

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