

Hong Kong a key connector in BRI

City can play to its strengths to provide professional services in areas like finance, engineering

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Hong Kong should further enhance its role as a “super-connector” in the Belt and Road Initiative, linking countries along the routes and supporting them with high-quality professional services.

These remarks were made by speakers at a panel discussion during the Belt and Road Conference, a China Daily Asia Leadership Roundtable event, in Hong Kong on Oct 29. Under the theme Tapping Belt and Road Opportunities in the Greater Bay Area, the event united delegations of government officials, business leaders and academic researchers from around the region.

“Hong Kong’s strength is on the maritime side,” said Regina Ip Lau Suk-ye, co-chair of the Maritime Silk Road Society. “We are a maritime economy and we have always thrived on trade.”

Referring to the panel’s theme When the Belt Meets the Road in Hong Kong, Ip noted the city’s strong connection with Southeast Asia, which not only builds business networks but also links “hearts and minds”; as many people from South China have emigrated to Southeast Asian countries since ancient times.

Ip expects Hong Kong to play an increasingly important role in fostering greater links with other countries, whether developed or developing, along the Belt and Road routes.



The Belt and Road Conference goes into the second panel discussion, with panelists, including consuls general in Hong Kong and student representatives, urging Hong Kong to make the best of its established strength as a maritime economy.

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Thomas Chan Man-hung, director of the One Belt One Road Research Institute of Chu Hai College of Higher Education, said as the BRI links countries and regions together, it provides a platform for the further industrialization and economic development of all participants. Chan was the moderator of the panel discussion.

“One of the biggest challenges is to really separate the big idea of the initiative from how it will manifest itself in very different ways in dif-

ferent parts of the world,” said Paul McComb, director of general trade and investment of the British consulate-general in Hong Kong.

McComb said the United Kingdom has realized the need for its senior leadership to engage in the initiative, get involved and make contributions. Also, he said that establishing criteria for the types of projects is key for creating a BRI asset class, as a lot of institutional investment is required to fulfill the ambitious initiative.

Abdul Qadir Memon, consul general of Pakistan in Hong Kong, said the city’s lack of involvement in BRI projects in Pakistan indicates great potential for the special administrative region.

“I believe it is because of a lack of understanding,” said Memon, adding that more should be done to educate the city’s businesspeople to grasp the tremendous opportunities ahead.

Noting the importance of participation from the private sector, Alfred Mutiwazuka, consul general of Zim-

babwe in the city, said Hong Kong can play a key role in setting up public-private partnerships as a super-connector and as Asia’s financial hub.

“Infrastructure projects, by their nature, take years to generate returns. Therefore, it is normally hard to sell to private capital,” said Mutiwazuka. He said Hong Kong can help fill the gap with innovative solutions and support the success of the BRI with its professional services expertise in areas like legal, accounting and engineering.

Tengku Sirajuzzaman, consul general of Malaysia to Hong Kong and Macao, said Hong Kong is a very important partner for Malaysia as most of its exports to the city eventually go to the Chinese mainland.

“The relationship between Hong Kong and Myanmar has been growing rapidly in recent years,” said Myat Thuzar Than, consul general of Myanmar. She said Hong Kong is the fourth-largest investor and a major trading partner of Myanmar.

“Hong Kong can not only play a role in financing and infrastructure, but also in providing professional services in the China-Myanmar Economic Corridor,” said Than.

Speaking for the young generation, Jenkin Yuen, a student at Wah Yan College in Hong Kong, said every country along the Belt and Road can enhance education regarding the initiative while establishing a transnational education link, as the younger generation will be key to ensuring the longevity of BRI projects.

Going global brings compliance challenges

As Belt and Road advances, unique regulations in various places require government, Chinese enterprises to work together

By **ZHOU MO** and **CHAI HUA**
in Hong Kong

Corporate compliance is becoming a new challenge in Chinese companies’ exploration of international markets, and government and enterprises should make joint efforts in that direction, officials and industry insiders said.

They made the call at a keynote luncheon during the Belt and Road Conference 2018, co-organized by *China Daily* and the Silk Road Economic Development Research Center, in Hong Kong on Oct 29.

Competition rules for global enterprises have changed as corporate compliance is being placed in an increasingly important position, said Wang Zhile, vice-president of the China Enterprise Compliance Promotion Alliance.

“When Chinese enterprises, especially State-owned enterprises, go global, they are facing a new way and a new rule of global competition. It is obvious that Chinese enterprises are facing serious challenges,” he said.

“If they could understand and cope with the changes, they could achieve leapfrog development and create a new experience of growth for enterprises in developing countries.”

Wang cited Zhejiang Geely Holding Group as an example. The Chinese car manufacturer established its own compliance system in 2014, setting up a compliance committee at its headquarters and deploying a chief compliance officer to deal with the issue specifically.

In Geely’s acquisition of US flying car startup Terrafugia last year, the US made a thorough examina-

tion and concluded that the Chinese company had fully complied with the rules.

“The issue of corporate compliance stands out as enterprises grow bigger,” said Wang Yizhou, general manager of the corporate affairs and compliance management office at China Mobile International.

He noted that the mobile communication giant has carried out many corporate-compliance-related measures. “In our industry, it could have drastic influence on the development of enterprises if they failed to control the risk of their operation.”

Yan Biao, director of legal affairs at China Resources Group, said the company’s long-term operation in Hong Kong has had a profound effect on the company’s management.

The State-owned enterprise, founded in Hong Kong eight decades ago, has a wide range of businesses worldwide, covering consumer products, energy, real estate and finance.

In going global, it has encountered some unique regulations in various places, Yan pointed out. He emphasized that enterprises also need to distinguish corporate compliance from pure business negotiation.

“Enterprises, as the subject of the market, should learn how to adapt to these changes, and I believe these issues could be solved eventually as we understand more about the rules and communicate more with our partners.”

The central government is attaching great importance to the issue of corporate compliance with a growing number of Chinese enterprises

going global under the Belt and Road Initiative.

Yang Yi, former deputy director-general of the economic affairs department and former head of the commercial office at the Liaison Office of the Central People’s Government in the Hong Kong Special Administrative Region, highlighted the importance of the government’s role in the process.

“When the government formulates policies, it needs to ensure they are in line with international rules. For example, they have to meet World Trade Organization rules on transparency, subsidy, and so forth,” he said. “Government and enterprises should work together to promote compliance.”

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