Hong Kong - Alberta Relations

PROFILE
Population: 7.4 million (2016)
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 Carrie LAM (since July 2017)
Currency: CAD $1 = 5.96 Hong Kong Dollars (2017 average)
GDP: US $429.7 billion (2016)
GDP (PPP): US $430.1 billion (2016)
GDP Per Capita (PPP): US $58,322 (2016)
GDP Growth Rate: 2 per cent (2016)
Inflation: 2.4 per cent (2016)
Key Industry Sectors: Textiles, clothing, tourism, banking, shipping, electronics, plastics, toys, watches, clocks.
Sources: Bank of Canada, CIA World Factbook, Global Affairs Canada

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 People’s 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.
- Between 2013 and 2017, 181 citizens of Greece became Permanent Residents of Canada, with Alberta as their intended destination. Approximately 56% were economic immigrants, including principal applicants, spouses, and dependents.

TRADE AND INVESTMENT
- The Canada-Hong Kong Foreign Investment Promotion and Protection Agreement (FIPA) entered into force on September 6, 2016. This FIPA establishes a framework for governing foreign investments between Canada and Hong Kong and provides Canadian investors operating abroad with additional legal protections.
- Hong Kong remains an important global hub for the financial services industry and is a key location in Asia for companies to look for investment financing.
- 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.
- From 2013-2017, Alberta’s exports to Hong Kong averaged $204.2 million per year and included exports of meat (primarily beef), plastics, crude oil and canola oil.
- From 2013-2017, direct imports to Alberta from Hong Kong averaged $13.4 million per year and included electrical machinery, clothing, precious metals, iron and steel products and apparel. This figure does not include goods sold in Alberta that arrived via distribution hubs in other provinces.

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.

FORESTRY
- In January 2014, Forestry Division hosted Insight Robotics, a technology company that specializes in wildfire detection systems sold

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The Christian Alliance P.C. Lau Memorial School of Canada have both achieved Tier 3 status as an Alberta Accredited International School.

- Advanced Education provides funding to Alberta post-secondary institutions through the Campus Alberta Grant for International Learning which allows institutions to develop short-term study abroad programs in other countries including Hong Kong.

- From 2015 to 2017, 422 foreign students from Hong Kong were issued a permit to study in Alberta.

- In November 2008, the University of Alberta (UAlberta) 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 U of A’s first Hong Kong convocation in 1998.

- UAlberta has a long term working relationship with leading institutions in Hong Kong including University of Hong Kong and Chinese University of Hong Kong. Hong Kong is one of the most popular destinations for U of A graduates to live and work. As of February 2015, there were at least 1,300 U of A alumni in Hong Kong. In October 2015, Dr. Jonathan Choi Koon-Shum, Chairman of Sunwah Group, a successful business leader in Hong Kong and a philanthropist, received an Honorary Doctor of Laws degree from the University of Alberta in Hong Kong.

- The largest overseas branch UAlberta Alumni Association is in Hong Kong. They have been generous supporters of the UAlberta with donations to special scholarship funds and other initiatives.

- The University of Calgary (UCalgary) has active exchanges and research links with five universities in Hong Kong. UCalgary has signed its first institutional Collaborative Doctoral Cotutelle Agreement with Hong Kong Polytechnic University in 2017. In May 2017, 10 students from Hong Kong Baptist University and Hong Kong Polytechnic University came to UCalgary to participate in an exchange on community development and international social work.

- Mount Royal University and Lingnan University have had a partnership agreement since 2001 and have been collaborating since then on various initiatives. Mount Royal has had a partnership with the Education University of Hong Kong (EdUHK) since 2014. Students are exchanged in both directions on an annual basis.

- Concordia University has a partnership with the Hong Kong Institute of Education.

- The Li Ka Shing Institute of Virology was created in 2010 through the combined gifts of $25-million from the Li Ka Shing (Canada) Foundation and $52.5-million from the Government of Alberta. It incorporates researchers from the Alberta Institute for Viral Immunology and the Centre of Excellence for Viral Hepatitis Research.

EMERGING OPPORTUNITIES

- Hong Kong is emerging as a hub for China’s One Belt One Road initiative, and is a good place to look for companies that are seeking to leverage opportunities in infrastructure and other sectors.

- 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 for 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 that 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 and qualification examinations for professionals and technicians.

- Infrastructure projects of interest to Albertans include intercity transport networks, road expansion and 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.

**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 2014: The Minister of Agriculture and Rural Development led a mission to Asia, including a stop in Hong Kong. The purpose of the mission was to foster Alberta’s agricultural trade development, investment attraction and market advocacy in the region.

- January 2014: The Ministry of Innovation and Advanced Education (in collaboration with Energy, International and Intergovernmental Relations and the Petroleum Services Association of Canada) led a mission to the Asian Financial Forum in Hong Kong. The purpose was to attract investment into the unconventional resources sector in Alberta – both exploration opportunities and investment into service companies.

- September 2013: Alberta’s Premier visited Hong Kong to strengthen economic cooperation with the Hong Kong government, and to deepen relationships with the private sector. The Associate Minister of International and Intergovernmental Relations also visited Hong Kong to support Alberta companies doing business abroad, and to attend a U of C alumni event.

- 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. The Minister provided a key note address at an "Invest in Alberta" seminar held at the Hong Kong Stock Exchange, which was an anchor event amongst a broader "Alberta Week in Hong Kong" initiative. The week included a series of promotions and business activity with local, federal and in-market partners.

- 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.

**REPRESENTATION**

- Ms. Kathy Chan is the Director of the Hong Kong Economic and Trade Office in Toronto.

- Mr. Jeff Nankivell is the Consul General of Canada to Hong Kong and Macao.

- Mr. Ron Hoffmann, Alberta’s Senior Representative for the Asia Pacific Basin, is based in the Alberta Hong Kong Office.