

Britain's economic growth has always been fuelled and driven by international trade, especially through Asia. Hong Kong has long been the gateway in to Asia, never more so today now it is part of China, the world's second, and soon to be the largest economy. Whilst it has become part of China, it has kept much of its own control in terms of retaining its legal, business and political inheritance it gained from being part of the British Commonwealth under what is termed the Special Administrative Region (SAR) or "One Country, Two Systems" concept. This makes Hong Kong an ideal launch pad for any western business wishing to enter in to Asia, with an environment that British companies would be quite familiar with and a geography and links in to the heart of China itself via that country's most powerful economic regions such as the province of Guangdong and the great Pearl River Delta (PRD).

But Hong Kong offers more than just a gateway in to China and the rest of Asia. It too has a very thriving economy with over 90% of GDP coming from the services industry making it the World's most service led economy and a very high standard of living. Hong Kong, along with New York and London is one of the three centres that drive the global the global economy (as stated by Time Magazine). This services-driven economy made a solid comeback in 2010 as it recovered from contraction in 2009. GDP picked up by 6.8%, driven by recovery in goods and services trade that spurred growth in consumer spending and investment. Several large-scale projects boosted public construction, including the Guangzhou-Shenzhen-Hong Kong express rail and the Hong Kong-Zhuhai-Macao bridge. Spending on capital works is budgeted to rise to US\$7.5 billion this year and will likely exceed this amount in 2012. Major infrastructure projects to begin in 2011 include extensions of mass transit rail lines and a new cultural centre.

Hong Kong is renowned for its tolerant, can do, highly educated, multi lingual and multi cultural society. It has a level playing field for foreign and local businesses, referred to as the world's freest economy with no VAT, sales tax or capital Gains tax. A corporation tax of just 16.5% on profits, it is the 11th largest trading economy. With a population of over 7 million, it is rather cramped with 16.5k people to the sq mile in an area of only 1,104km². Land is at a premium and a problem the country does face is soaring house and land prices.

Britain and British goods are always well received in Hong Kong, and they love their whiskey.

Baroni offer independent advise and support to businesses wishing to develop in Asia and The Middle East.