

**For Immediate Release**

**BEA Issues “Economic Analysis” on  
the Opportunities and Challenges for Hong Kong under  
the Guangdong-Hong Kong-Macau Greater Bay Area Plan**

**Hong Kong, 11<sup>th</sup> April, 2019** – The Bank of East Asia, Limited (“BEA”) has today issued the April 2019 edition of its “Economic Analysis”, which presents the opportunities and challenges for Hong Kong under the Outline Development Plan for the Guangdong-Hong Kong-Macau Greater Bay Area (the “Plan”).

The Plan lays out the policy direction for coordinated development in Hong Kong, Macau, and nine Mainland municipalities within the Greater Bay Area (“GBA”). BEA believes that the Plan will help enhance China’s economic efficiency and support the country’s Belt and Road Initiative (“BRI”). The economic rationale of the Plan is to leverage Hong Kong and Macau’s unique strengths to support innovation and technological development and develop a “quality living circle”. To achieve this goal, new policy arrangements are required to encourage the flow of people, goods, capital, and information in the region to foster closer collaboration. Initiatives in the pipeline include “Wealth Management Product Connects”, which will promote cross-boundary financial transactions and operations.

According to the report, the development of the GBA will not only strengthen Hong Kong’s role as an international financial, professional services, transportation, and trade centre, but will also open up new opportunities for the city. Hong Kong should establish itself as a centre for legal and dispute resolution in the Asia Pacific region, as well as a financing platform for the BRI.

BEA also points out that Hong Kong excels in business and financial services, but its small domestic market offers limited room for the development of other economic activities. The Plan will provide new opportunities for Hong Kong’s research, for instance, which will find greater application in the technology and innovation demonstration zones and incubators in the GBA. With the establishment of the GBA, companies in Hong Kong should expand operations throughout the area, not only to reach new customers, but also to serve a highly mobile base of existing customers. In addition, young people will enjoy greater career opportunities in the enlarged market.

The Bank also notes that the Plan poses challenges for Hong Kong particularly in relation to its highly saturated social infrastructure, which includes hospital services,

housing, and transportation. Unless this issue is addressed, it risks undermining the city's ability to support the GBA in the long run.

The Plan includes a number of measures to encourage Hong Kong youth to take up internships, start businesses, or seek employment in the GBA. To motivate young people to work on the Mainland, particularly in the GBA, it will be crucial to enhance their knowledge of China. The GBA governments may also provide relevant policy support to young people in Hong Kong, so that they will be more confident to develop their careers in other GBA cities. For example, the governments can cooperate with Hong Kong business associations and chambers of commerce in the nine GBA cities, providing advice on job hunting, recruitment, as well as the working environment and culture.

### **About The Bank of East Asia, Limited**

Incorporated in 1918, BEA is a leading Hong Kong financial services group, serving the needs of customers throughout Greater China and beyond, with total consolidated assets of HK\$839.5 billion (US\$107.2 billion) as of 31<sup>st</sup> December, 2018.

BEA offers customers a comprehensive range of corporate banking, personal banking, wealth management, and investment services through an extensive network of nearly 200 outlets covering Hong Kong and the rest of Greater China, Southeast Asia, the United Kingdom, and the United States. For more information, please visit the Bank's homepage at [www.hkbea.com](http://www.hkbea.com).

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Media enquiries:

Mr. Paul Tang  
Chief Economist  
Economic Research Department  
Strategic Planning & Control Division  
The Bank of East Asia, Limited  
Tel.: (852) 3608 5036  
Email: tangpso@hkbea.com

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