

17 July, 2020

Editor  
Australian Financial Review  
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Dear Editor,

The article “How to steal Hong Kong’s crown” by Andrew Bragg (16 July) contains mistaken assumptions and misunderstandings.

Social unrest, failure of the rule of law and a lack of protection for corporate assets are genuine factors that would undermine investors' confidence. The National Security Law in Hong Kong helps restore law and order in Hong Kong and plug the loophole in the need for national security. It can promptly reverse the chaotic situation of the past year and restore stability so that Hong Kong will continue to excel in its role as an international financial centre.

Hong Kong’s location and ease of travel is also a major consideration for business, as well as the city’s talent pool savvy about the key markets in Asia. Companies use Hong Kong not only for the local market but also to tap the huge business potential of the fast-growing Guangdong-Hong Kong-Macao Greater Bay Area, Mainland China, North East Asia and ASEAN. On top of this, Hong Kong's tax - capped at 16.5% for businesses and 15% for individuals - is competitive globally.

Our much-valued institutional strengths and core competitiveness including rule of law, judicial independence, open and flexible markets, freedom of capital movement, a simple and low tax regime, an efficient public sector and a favourable business environment with a level playing field, will all remain intact. The National Security Law, together with our inherent advantages, will further enhance Hong Kong’s excellent business environment and restore the confidence of overseas investors.

Yours sincerely,  
Raymond Fan  
Director  
(Representative to Australia and New Zealand)