

# A Regional Logistics Hub

#### **Overview**

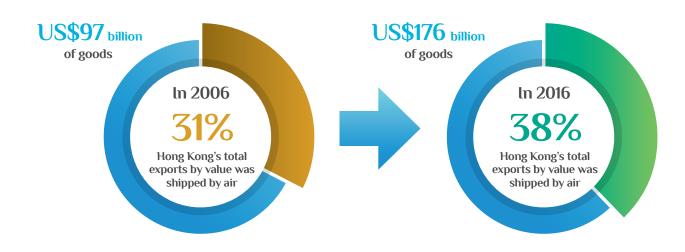
- Strategically located at the heart of Asia, Hong Kong has been traditionally known for its booming trading and logistics industry. Trading and logistics accounts for 22% of Hong Kong's GDP and 20% of employment.
- Hong Kong is connected to the world and the Mainland China hinterland by a world-class international airport, a container terminal renowned for its efficiency and extensive land crossings. The well-developed multi-modal transport network gives the logistics industry flexibility in moving goods from one corner of the world to another. More and more companies are setting up regional distribution centres in Hong Kong to take advantage of the well-developed and interconnected air, sea and road transportation modes. Hong Kong's security, transparency, efficiency, speed and connectivity allow logistics service providers to pick goods of different types and models according to the needs of individual shops, carry out value added procedures and ship them out efficiently so that stock of the retail network could be replenished in a just-enough and just-in-time manner.

## Air Freight

Hong Kong International Airport (HKIA) hosts over 100 airlines operating more than 1 100 flights per day, with regular and direct services to about 190 destinations worldwide, including some 40 destinations in Mainland China. It has been the world's busiest airport for international cargo since 1996.



An increasing share of Hong Kong's total exports is moved by air freight – a sign that more higher-value, delicate, perishable or need-for-speed products are shipped through Hong Kong. In 2016, about 38% of Hong Kong's total exports by value was shipped by air, amounting to about US\$176 billion of goods. The corresponding figures in 2006 were 31% and US\$97 billion.



To meet the demand for continuous growth in passenger and cargo traffic, Hong Kong is embarking on a Third Runway System project. Upon completion, Hong Kong International Airport will have the capacity to handle around 100 million passengers and 8.9 million tonnes of cargo annually by 2030.

## Sea Freight

- Hong Kong Port is one of the busiest container ports in the world, capable of handling some 67 000 twenty-foot equivalent units (TEUs) a day. With 24 berths, there are about 330 container vessel sailings per week to around 470 destinations worldwide.
- Renowned for its efficiency and flexibility, Hong Kong's nine privately-owned container terminals in Kwai Tsing handle on average 16.8 million TEUs yearly in the past ten years. Operating on 279 hectares of land, the Kwai Tsing Container Terminals are one of the most efficient cargo terminals in the world.

### Connectivity with Mainland China

Hong Kong has a comprehensive high-speed road network with well-connected cross-boundary points that link up the container terminals, airport and various logistics nodes, offering a wide choice of multi-modal transportation links and providing excellent connectivity with the Mainland. There are four roadbased crossings between Hong Kong and Mainland China, with a capacity of about 120 000 vehicular crossings every day.



The Hong Kong-Zhuhai-Macao Bridge, a 41.6 kilometres mega project connecting Hong Kong, Zhuhai and Macao, will substantially reduce travel time from Hong Kong International Airport to Zhuhai from 4 hours to around 45 minutes. Upon completion, Hong Kong would be able to expand its cargo hinterland to the western part of the Pearl River Delta.



