

Digital silk road a 'key pillar' for the future of HK's SMEs

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Hong Kong's small and medium-sized enterprises see great opportunities, with the city serving as a commercial hub and playing a significant role in the digital silk road of the China-led Belt and Road Initiative, says Jason Chiu, convener of the SME and Younger Generation Working Group of the Hong Kong Trade Development Council's Belt and Road Committee.

Accounting for more than 90 percent of Hong Kong's business establishment, SMEs are crucial to the city's economic development. Although some of them are still focusing on the traditional economic industries, he said, a greater number of them are now embracing the new technology.

"Ideally, we not only help developing countries involved in the B&R to build up those physical infrastructure, like air-

ports or highways, but also digital infrastructure," Chiu said.

As a commercial center and the meeting point of East and West, he said, Hong Kong has the edge in data analysis and data communication. "It can be easier for other countries to tap into the Hong Kong market instead of that of the Chinese mainland in terms of data services, policies and regulations."

Citing industries related to fintech, e-education, smart city development and artificial intelligence, he said they would be very important in helping developing countries along the B&R route to leapfrog.

"Looking at China in the past four decades as the country opened up its economy, we could see it has grown on a per capita basis 40 times until now," he said. "So, if we look at the developing countries along the B&R, they're now experiencing what we had experienced."

SMEs on the mainland and in Hong Kong that began tapping into the business 40

years ago are becoming large conglomerates and businesses today, Chiu said. "The younger generation should seize the opportunities and be down-to-earth as it's a long-term goal instead of a short-term focus."

He referred to the idea of "Team Hong Kong" that's creating conglomerates, SMEs, service companies and startups to take advantage of the opportunities along the B&R together.



Jason Chiu, convener of the SME and Younger Generation Working Group of the HKTDC Belt and Road Committee.
ROY LIU / CHINA DAILY

He believes that Hong Kong, as part of the Guangdong-Hong Kong-Macao Greater Bay Area development, can fully leverage its advantages in the B&R.

The HKTDC's Belt and Road Committee aims to set up a separate working task force on the concept of the digital silk road to better formulate "Team Hong Kong" on an ecosystem basis.

In terms of the connectivity between the SMEs of Hong Kong and the B&R countries, Chiu noted they are not well connected yet. "We're trying to build up the partnership, learn from each other and exchange experience. As for SMEs on the Chinese mainland, we already have a lot to learn from them."

He believes the future lies in the young generation. What the SME and Younger Generation Working Group is doing is to get Hong Kong's younger generation more exposed to the policies, cultures and the knowledge of the B&R Initiative. "Only by knowing its



The World SME Expo organized by the HKTDC. Hong Kong's younger generation and budding entrepreneurs are urged to grasp the opportunities offered by the B&R. PROVIDED TO CHINA DAILY

meaning and opportunities can SMEs benefit from the B&R," said Chiu.

The upcoming "Belt and Road Journey" youth exchange program to Central Asia in late July, organized jointly by the HKTDC and the Belt and Road Pioneer, aims to help participants gain an understanding of the economies, as well as the life experience, of the Xinjiang Uyghur Autonomous Region and Kazakhstan through visits to businesses and cultural exchanges with their citizens and youths. The participants

are aged between 18 and 25.

A SmartBiz Expo, organized by the HKTDC, will be also held in December this year, offering an insight into new technology and the latest business trends.

"In future, for my working group, I would like to develop a framework for more SMEs to participate and tap into the B&R opportunities," Chiu said. Through the SME and Younger Generation Working Group, "we'll develop programs that inspire the younger generation to better understand the B&R."

Founded late last year, the HKTDC's Belt and Road Committee is geared to cementing Hong Kong as a commercial and information hub for the strategic project by promoting and facilitating investment and business opportunities.

The Third Belt and Road Summit, jointly organized by the HKSAR Government and the HKTDC, will be held today (Thursday). With the theme "Collaborate for Success", the conference will highlight Hong Kong's role as a facilitator and commercial hub for the B&R.