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Hong Kong Maritime Arbitration Group 香港海事仲裁協會

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The Beijing Convention on the Judicial Sale of Ships

22 May 2026 (Fri) 18:00–19:10 (GMT+8)

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HONG KONG: A WORLD-CLASS TRADE LOGISTICS HUB

Shipping Registers, Air Freight, Container Capacity & Global Index Performance

May 2026

Sources: World Bank LPI, ACI World, Baltic Exchange, IMD

HONG KONG'S DUAL ADVANTAGE: SEA AND AIR AT THE HEART OF GLOBAL TRADE

Hong Kong occupies a unique position in global trade logistics, functioning simultaneously as one of the world's leading maritime centres and the world's busiest air cargo gateway.

Situated at the heart of the Asia-Pacific, it serves as the principal gateway between China and the rest of the world.

Its logistics ecosystem is underpinned by a low-tax regime, robust legal institutions, and a dense cluster of professional maritime and aviation services.

#3

MOST COMPETITIVE ECONOMY

IMD World Competitiveness Ranking 2025

#4

INTERNATIONAL MARITIME CENTRE

Xinhua-Baltic ISCDI 2025

#10

LOGISTICS PERFORMANCE

World Bank LPI 2023 (Score: 4.0/5.0)

THE HKSR: 4TH LARGEST SHIP REGISTRY IN THE WORLD

112M

GROSS TONNAGE (GT)

2,041

REGISTERED VESSELS

The Hong Kong Shipping Register (HKSR) is a globally respected flag of choice for international vessel owners, ranking 4th worldwide behind Liberia, Panama, and the Marshall Islands.

The HKSR's attractiveness is driven by:

- **Tax exemption** on income from international ship operations
- **Double Taxation Agreements (DTAs)** covering shipping income with major economies including the UK and Netherlands
- A cluster of over **1,200 maritime-related companies** offering ship management, finance, broking, insurance, and legal services
- Membership in key international bodies: ICS, INTERTANKO, and the Asian Shipowners Association

Members of the Hong Kong Shipowners Association (HKSOA) own and operate a combined fleet of approximately 200 million DWT (as of December 2024).

PORT EFFICIENCY REMAINS STRONG EVEN AS THROUGHPUT FACES STRUCTURAL HEADWINDS

The Port of Hong Kong handled **13.69 million TEUs in 2024**, a 4.9% year-on-year decline and the lowest volume since 1996. The Kwai Tsing Container Terminal, the port's primary facility, recorded a 6.2% fall to 10.35 million TEUs.

This structural decline is primarily driven by intensifying competition from mainland Chinese ports — notably Shenzhen, Guangzhou, and Shanghai — which have captured a growing share of Pearl River Delta cargo. A decade ago, Hong Kong handled 22.23 million TEUs annually.

Despite this, the port's operational efficiency is globally recognised:

INDEX	HONG KONG RANKING	YEAR
World Bank / S&P CPPI (Port Efficiency)	**15th of 405 ports**	2023
Lloyd's List Busiest Ports (Volume)	**10th**	2023
World Shipping Council Top 50	**Top 15**	2024

13.69M

TEUS HANDLED

▼ 4.9% YoY Decline (2024)

STRATEGIC RESPONSE

The government's 2023 Action Plan on Maritime and Port Development Strategy targets smart, green, and digital port transformation to restore competitiveness and pivot towardshigh-value services.

FOR THE 14TH TIME SINCE 2010, HKIA IS THE WORLD'S BUSIEST CARGO AIRPORT

Hong Kong International Airport (HKIA) handled **4.9 million metric tonnes** of cargo in 2024, a 14.1% year-on-year increase — retaining its top position in the ACI World cargo rankings for the 14th time since 2010.

This performance is underpinned by:

- **~140 airlines** serving over **200 destinations** worldwide
- A strategic position as the principal air gateway for China's manufacturing and export economy
- State-of-the-art cargo handling infrastructure, including automated facilities at the SuperTerminal 1 and Asia Airfreight Terminal

TOP CARGO AIRPORTS (2024)

RANK	AIRPORT	VOLUME
1	**Hong Kong (HKIA)**	**4.9M tonnes**
2	Shanghai Pudong	~4.2M tonnes
3	Memphis (FedEx)	~4.1M tonnes

THE THREE-RUNWAY SYSTEM POSITIONS HKIA TO HANDLE 10 MILLION TONNES BY 2035

HKIA targets to double its cargo capacity within a decade, cementing its role as Asia's premier aviation logistics gateway.

Commissioned in late 2024, HKIA's Three-Runway System (3RS) is the most significant infrastructure investment in Hong Kong's aviation history.

The 3RS has already improved operational efficiency, enabling carriers to add new routes and reducing congestion. OAG's Megahubs 2025 ranked HKIA 4th globally for airport connectivity, having jumped 20 places in a single year — with Low-Cost Carrier (LCC) connections nearly tripling.

10M	120M	#4
TONNES OF CARGO	**PASSENGERS**	**GLOBAL CONNECTIVITY**
Annual capacity target (up from ~5 million today)	Annual passenger capacity target	OAG Megahubs 2025 ranking (up 20 places)

A TIGHTLY REGULATED FLEET OF 315 AIRCRAFT SUPPORTS A WORLD-CLASS AVIATION ECOSYSTEM

The Hong Kong Civil Aircraft Register, maintained by the Civil Aviation Department (CAD), comprised **315 civil aircraft** as of March 2024, of which 294 were registered under Hong Kong Air Operator Certificate (AOC) holders.

The fleet is dominated by modern, long-haul widebody aircraft perfectly suited to international freight and passenger operations.

Seven AOC holders operate from HKIA, including Cathay Pacific, Air Hong Kong, and HK Express. The CAD strictly enforces ICAO standards, ensuring international credibility and safety compliance.

AIRCRAFT TYPE	REGISTERED
Airbus A330	76
Airbus A320 / A321	60
Boeing B777	55
Airbus A350	48
Boeing B747 (Freighter)	20

Source: CAD Annual Report, 2024

HONG KONG SCORES 4.0/5.0 ON THE WORLD BANK LPI — RANKED 10TH AMONG 139 ECONOMIES

The World Bank's Logistics Performance Index (LPI) is the gold standard for benchmarking trade logistics. In the 2023 edition ("Connecting to Compete"), Hong Kong achieved an overall score of 4.0 out of 5.0, placing it 10th globally — among the top tier of high-income economies alongside Canada, Belgium, and Austria.

CUSTOMS
Streamlined border clearance and low tariff barriers

INFRASTRUCTURE
World-class ports, airport, and road connectivity

SHIPMENTS
Ease of arranging competitively priced international shipments

COMPETENCE
High-quality transport operators and customs brokers

TRACKING
Advanced cargo visibility and tracing systems

TIMELINESS
Reliable delivery within scheduled time windows

4.0
OVERALL SCORE

10th
GLOBAL RANK

Singapore topped the 2023 LPI with a score of 4.3. Hong Kong's **4.0** places it firmly in the global elite of trade logistics hubs.

TOP-TIER RANKINGS ACROSS MULTIPLE INDICES CONFIRM HONG KONG'S LOGISTICS LEADERSHIP

Beyond the World Bank LPI, Hong Kong's logistics and maritime credentials are consistently validated by other authoritative global benchmarks.

IMD World Competitiveness Ranking 2025

Hong Kong rose to **3rd place globally** (from 5th in 2024) in the IMD World Competitiveness Yearbook 2025, covering 69 economies. Improvements in the "Infrastructure" and "Business efficiency" sub-factors — both directly linked to logistics — drove the advance.

Xinhua-Baltic ISCDI 2025

Hong Kong ranked **4th** with a score of 80.77 out of 100, behind Singapore, London, and Shanghai. The International Shipping Centre Development Index evaluates port throughput, maritime professional services, and the general business environment — confirming Hong Kong as a full-service maritime hub.

GLOBAL RANKINGS SUMMARY

INDEX	HONG KONG RANK	YEAR
IMD World Competitiveness	3rd / 69	2025
Xinhua-Baltic ISCDI	4th / 43	2025
World Bank LPI	10th / 139	2023
World Bank CPPI (Port Efficiency)	15th / 405	2023

CHALLENGES AND STRUCTURAL HEADWINDS

The Port of Hong Kong faces a clear structural challenge. Container throughput has fallen from a peak of over 22 million TEUs to under 14 million TEUs in 2024 — a decline of nearly 40% over a decade.

KEY CHALLENGES

- **Mainland port competition:** Shenzhen, Guangzhou, and Shanghai offer lower costs and direct hinterland connectivity.
- **Geopolitical headwinds:** US-China trade tensions and tariff uncertainty reduce transshipment incentives.
- **Cost pressures:** Higher operating costs relative to regional competitors.

STRATEGIC REPOSITIONING

- **2023 Action Plan:** The government's Maritime and Port Development Strategy outlines 10 strategies and 32 action measures to restore competitiveness.
- **Smart & Green Port:** Focus on digital transformation, including the Port Community System (PCS) launched in January 2026 to streamline cargo tracking and clearance.
- **High-Value Maritime Services:** Pivoting from a volume-driven port to a knowledge-intensive hub focusing on ship finance, management, insurance, and legal dispute resolution.

GREATER BAY AREA (GBA) INTEGRATION

Leveraging the GBA framework to position Hong Kong as the **premium services hub** within a larger port cluster that collectively handles over 80 million TEUs annually.

THE 15TH FIVE-YEAR PLAN: A NATIONAL MANDATE FOR HONG KONG

The PRC's 15th Five-Year Plan (2026-2030) provides a strategic blueprint for Hong Kong to overcome structural headwinds.

It explicitly mandates national support for Hong Kong to consolidate and enhance its status as an international shipping, trading, and aviation hub, deeply integrating the city into the nation's broader economic development.

INTERNATIONAL SHIPPING CENTRE

Pivot from pure volume towards high-value maritime services, including shipping finance, leasing, marine insurance, and maritime arbitration.

INTERNATIONAL AVIATION HUB

Leverage the Three-Runway System to expand capacity and maintain global dominance in air freight and connectivity.

SUPPLY CHAIN SERVICE CENTRE

Build a high-value-added supply chain service centre and commodity trading ecosystem to serve the Greater Bay Area and the Belt and Road Initiative.

HOW THE 15TH FYP ADDRESSES HONG KONG'S LOGISTICS CHALLENGES

The 15th Five-Year Plan provides a strategic roadmap for Hong Kong to overcome container volume headwinds by pivoting toward integration, green transition, and high-value supply chain connectivity.

GBA PORT COORDINATION

Rather than competing directly on volume, Hong Kong will coordinate with Shenzhen and Guangzhou to form a unified **Greater Bay Area port cluster**, handling over 80 million TEUs annually while Hong Kong focuses on premium services.

HK-SHENZHEN WESTERN RAIL LINK

A planned rail link connecting Hong Kong's **Northern Metropolis** directly to Shenzhen's Qianhai district, featuring a "co-location checkpoint" for seamless, rapid cross-boundary customs clearance and logistics flows.

GREEN MARITIME FUEL BUNKERING

Leading the decarbonization transition by establishing Hong Kong as a premier green maritime fuel bunkering centre, evidenced by the recent successful operations of **green methanol bunkering** for international vessels.

BELT & ROAD "SUPER CONNECTOR"

Acting as a two-way service platform to assist mainland enterprises in **"going global"**, providing supply chain diversification, risk management, and professional legal/financial services to navigate complex international markets.

HONG KONG'S FUTURE LIES IN HIGH-VALUE LOGISTICS SERVICES AND AVIATION SUPREMACY

Hong Kong's logistics trajectory is one of strategic repositioning rather than decline. While raw container volumes face continued pressure, the city is doubling down on the segments where it holds irreplaceable competitive advantages.

AVIATION SUPREMACY

HKIA's Three-Runway System will double cargo capacity to **10 million tonnes** by ~2035, reinforcing its position as the world's premier air cargo hub. The airport's connectivity — **200+ destinations, 140 airlines** — is unmatched in the region.

MARITIME SERVICES

With **1,200+ maritime companies**, a 4th-ranked ship register, and a 4th-ranked international maritime centre designation, Hong Kong is transitioning from a volume-driven port to a **knowledge-intensive maritime services hub**.

INSTITUTIONAL STRENGTHS

A **common law jurisdiction**, independent judiciary, free port status, and deep financial markets make Hong Kong uniquely positioned to serve as the legal, financial, and commercial nexus of Asian maritime trade.

The Greater Bay Area framework, connecting Hong Kong with Shenzhen, Guangzhou, and Macao, creates a combined port cluster that collectively handles over **80 million TEUs annually** — within which Hong Kong plays the premium services role.

CONCLUSION & KEY TAKEAWAYS

HONG KONG REMAINS INDISPENSABLE TO GLOBAL TRADE — ADAPTING, NOT DECLINING

SHIPPING REGISTER 01

4th largest globally at 112 million GT — a preferred flag due to tax advantages and institutional quality.

CONTAINER PORT 02

15th in World Bank CPPI efficiency; volume headwinds are structural but the Action Plan targets smart transformation.

AIR CARGO 03

World's #1 cargo airport for the 14th time — 4.9 million tonnes in 2024, expanding to 10M via the 3RS.

AIRCRAFT REGISTER 04

315 civil aircraft under rigorous ICAO-compliant regulation, supporting a world-class aviation ecosystem.

GLOBAL INDICES 05

Top 10 in World Bank LPI (2023), Top 3 in IMD Competitiveness (2025), Top 4 in Xinhua-Baltic ISCDI (2025).

15TH FYP INTEGRATION 06

Strategic pivot toward high-value supply chain services and deep GBA connectivity to secure long-term growth.

Hong Kong's logistics future is defined not by volume alone, but by the quality, depth, and resilience of its trade infrastructure, supported by deep integration into national development strategies. We need a legal infrastructure to match all of these developments!