

## Setting the Context

Hong Kong has been experiencing renewed turmoil in the form of ongoing protests sparked by the extradition bill of 2019 and the new National Security law (NSL), compounding disruptions caused by the COVID-19 pandemic. The American Chamber of Commerce in Singapore (AmCham Singapore) conducted an online survey from 28<sup>th</sup> July to 16<sup>th</sup> August 2020 of its members to ascertain businesses' attitudes towards the ongoing situation in Hong Kong. A total of 47 responses were collected from a diverse industry pool.<sup>1</sup>

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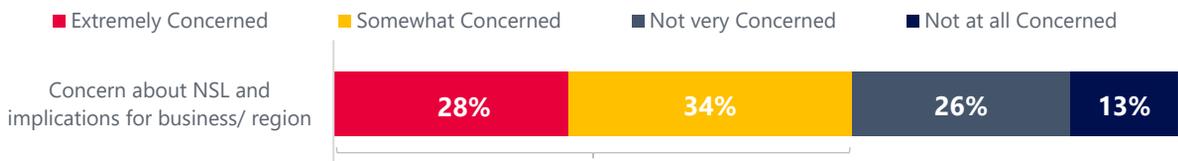
Most of the surveyed businesses (81%) have their regional head office located in Singapore. Just under half (47%) currently have an office in Hong Kong, and a small group (13%) do not yet have an office there but may consider establishing one in the next 2-3 years.



## Key Insights

**1**

While there is significant concern about the NSL and its implications for businesses in Hong Kong or the broader region, the impact is not yet tangible. Although 62% express extreme or moderate levels of concern about the new law and what it means for the business environment, 55% report no impact yet on their regional business.



**62%**

"...Concerned about NSL impact on geopolitical tensions between US and China, which may impact businesses and trade."



"There will be an impact, but at this early stage of implementation, it is difficult to say whether it will be net negative or minimal."

<sup>1</sup> The survey was conducted by the American Chamber of Commerce in Singapore (AmCham), with data analysis run by Ipsos in Singapore. An online survey was fielded to AmCham members in English, with 47 responses recorded. Respondents' primary industries include services (51%), manufacturing (11%), technology (19%), biomedical sciences (4%), and other (15%).

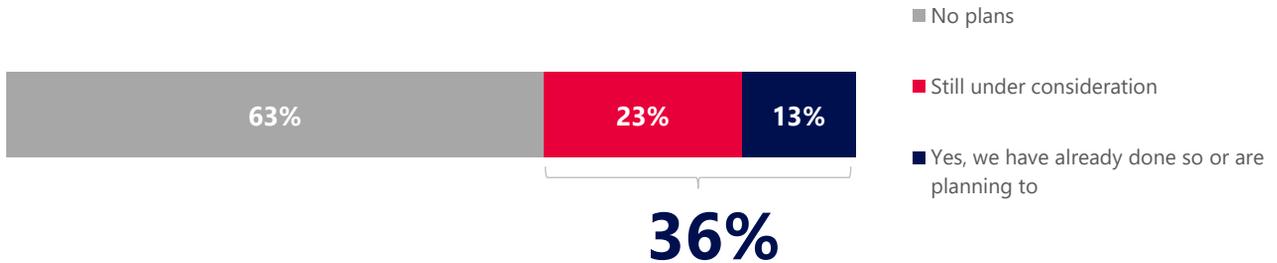
## Key Insights

2

Of those firms with operations in Hong Kong, more than 36% are either considering or have already planned to move some part of their business out of Hong Kong as a result of the political unrest.

An August 2019 survey of AmCham Singapore members assessing the impact of protests instigated by the extradition bill in Hong Kong found that smaller proportions of respondents at the time had already or were still considering moving capital (27%) or business functions (24%) out of Hong Kong as a direct result of the instability.<sup>2</sup>

Has the implementation of the NSL and any related political unrest or protests directly led your company to move **capital/assets/data/business operations/employees** out of Hong Kong?  
(2020) n=47

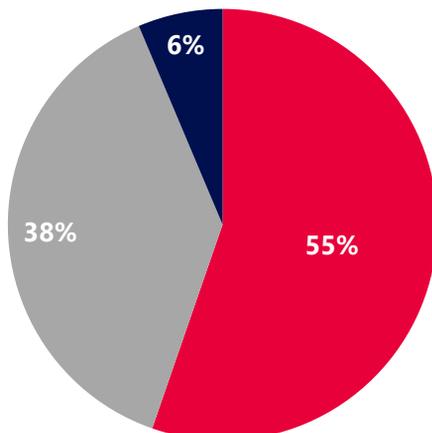


3

The majority of respondents (61%) believe Singapore's economy and business environment have been impacted in some way as a result of Hong Kong's recent instability. Over half (55%) feel that Singapore has benefited positively, with some emphasizing Singapore's neutrality and stability as its comparative advantage.

In your opinion, has Singapore's economy or business environment changed in any way due to Hong Kong's recent instability?

■ Positively impacted ■ No impact ■ Negatively impacted



*"Singapore is seen as an alternative location for client employees and offices."*

*"(Singapore has the) Considerations for a neutral business environment.."*

*"Inflows of cash (particularly to Singapore-based banks)"*

<sup>2</sup> To read the full 2019 report, visit [https://amcham.com.sg/wp-content/uploads/2019/12/AmCham-Survey-HK-Protests-Report\\_FINAL.pdf](https://amcham.com.sg/wp-content/uploads/2019/12/AmCham-Survey-HK-Protests-Report_FINAL.pdf)  
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