

# HONG KONG ROLLS OUT RED CARPET FOR ART

Hong Kong's cultural and creative industries comprise one of the economy's most dynamic sectors, accounting for some 4.5% of GDP in 2022.<sup>1</sup>

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The city has developed a vibrant cultural ecosystem, and with ambitious government initiatives well underway, many focused on nurturing a new generation of local artists, it's set to reach new heights as a global arts powerhouse.

## 1. EXPANDING INFRASTRUCTURE

In addition to the city's sophisticated art market, supportive government policy, zero tax on art deals, and a vibrant arts education system, a wave of new art infrastructure has come online in the past few years, enhancing Hong Kong's position as an arts hub that nurtures new talent.



The Hong Kong SAR government (HKSARG) in 2022 unveiled a decade-long plan to **develop the city's arts and cultural facilities**, building on existing infrastructure.



Leisure and Cultural Services Department (LCSD) museums to **increase to 19 from 15**. Performance venue seats to rise to 45,000 from 30,000.



**East Kowloon Cultural Centre**, focused on arts and technology, to be rolled out 2023-24.<sup>2</sup>

### West Kowloon Cultural District

A harbourfront arts zone covering 40 hectares, the district is one of the world's largest cultural hubs, where local and traditional cultures interact with international and contemporary arts.

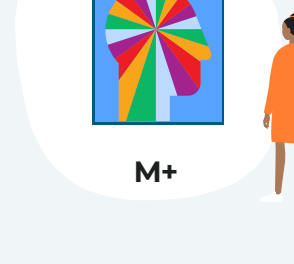
Its major facilities, such as the Xiqu Centre, M+, the Hong Kong Palace Museum and Freespace, provide diverse arts and cultural programmes and events year-round.<sup>3</sup>

### Galleries

Hong Kong Art Gallery Association member galleries increased 27% to 62 in March 2023 from 49 in January 2021.<sup>4</sup>



Freespace



M+



Xiqu Centre

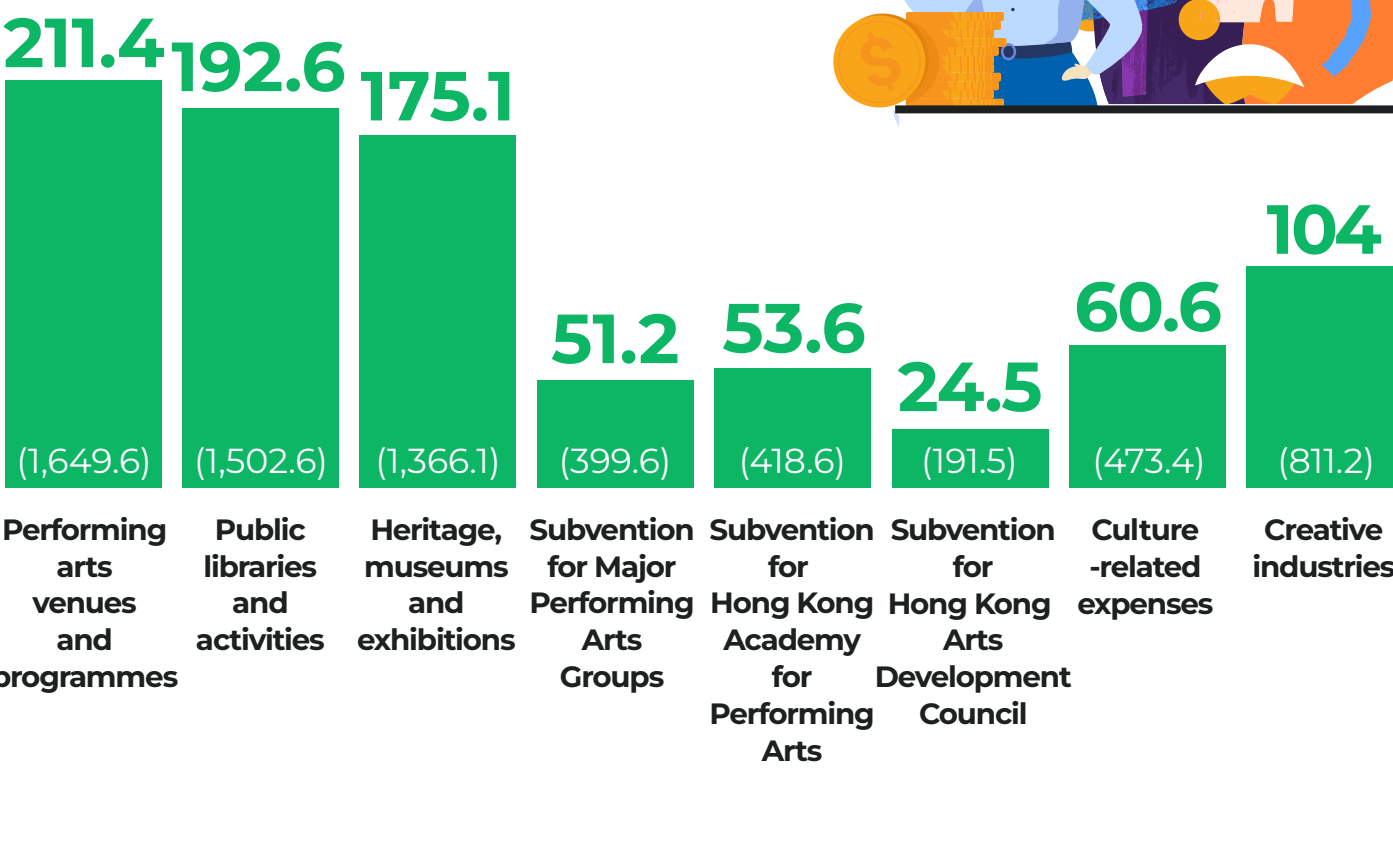


Hong Kong Palace Museum

## 2. FUNDING THE FUTURE

HKSARG's estimated expenditure on promoting arts, cultural and creative industries in 2023-24 is about **\$873 million (HK\$6.8 billion)**.

Estimate by category in million US\$ (HK\$)



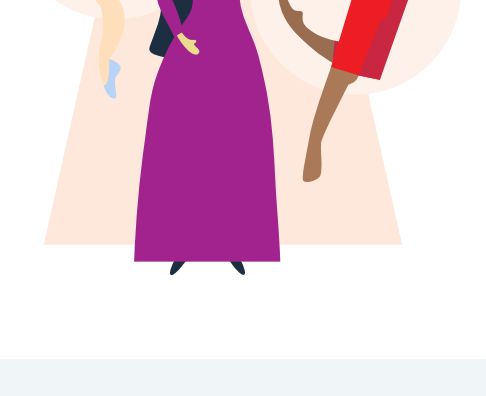
### Arts Capacity Development Funding Scheme

Launched in 2011, the Arts Capacity Development Funding Scheme provides funding for large-scale and cross-year arts and cultural initiatives.

### Art Development Matching Grants Scheme

The Art Development Matching Grants Scheme, set up in 2016, encourages arts organisations to expand their funding sources and foster a culture of sponsoring art and culture in the business sector through matching grants.

Additionally, HKSARG provides recurrent subvention totalling some \$51.2 million (HK\$400 million) to nine major performing arts groups. It also provides annual subvention to the Hong Kong Arts Development Council, which provides funding for small and medium-sized arts groups.



## 3. FERTILE GROUND FOR EMERGING ARTISTS

Hong Kong is a top-three global art market, providing varied opportunities for artists to develop their careers. Wealthy collectors in the SAR are more open to acquiring emerging artists' works than similar buyers in mainland China, the US, or the UK.<sup>5</sup>

### High-net worth collectors' preferences for new and established artists in 2021

	New artists (%)	Established artists (%)	Both (%)
US	6	42	52
UK	8	52	40
Mainland China	1	39	60
<b>Hong Kong</b>	<b>16</b>	<b>31</b>	<b>53</b>
Singapore	7	45	49

Note: 'Established artists' refers to artists who were familiar to the surveyed collectors or whose works had been previously purchased by them.

### Total trade value of artworks, collectors' pieces and antiques in Hong Kong, 2017-2021

Year	Export (%)	Import (%)	Total trade value \$ (billion)
2017	31	69	2.2
2018	32	68	4.7
2019	35	65	7.5
2020	33	67	4.3
2021	40	60	8.5

Percentage refers to the respective share of exports and imports to the total external trade value.

### Auction turnover in the first half of 2022 for ultra-contemporary artists (under 40 years of age)<sup>6</sup>

<b>Christie's Hong Kong</b> <b>\$16.3 million</b> (HK\$127 million)	<b>Christie's London</b> <b>\$12.7 million</b> (HK\$99 million)
<b>Phillips Hong Kong</b> <b>\$15.3 million</b> (HK\$119 million)	<b>Phillips New York</b> <b>\$13.3 million</b> (HK\$103 million)

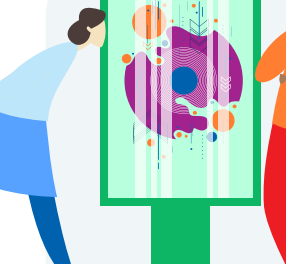
## 4. DIGITAL ART PIONEER



The city is at the forefront of integrating art and technology, such as via non-fungible tokens and the metaverse.



HKSARG earmarked \$12.8 million (HK\$100 million) in 2020 to promote arts tech. In the 2022-23 budget, \$3.8 million (HK\$30 million) was allocated to an Arts Technology Funding Pilot Scheme to support performing arts groups that deploy tech like virtual reality to their work.<sup>7</sup>



Founded in 2020, Hong Kong's annual Digital Art Fair is the world's premiere Web3 fine art exhibition. Showcasing innovative digital and NFT fine art, the event aims to inspire art enthusiasts to embrace digital technology. In 2022, it welcomed 10,000-plus visitors over 18 days.<sup>8</sup>

## 5. A RECEPTIVE PUBLIC



**3,249,820<sup>9</sup>**  
Visitors to public museums in 2022.



**361,422<sup>10</sup>**  
Attendances at performances at indoor cultural programmes organised by the LCSD in 2021.



**2,034,331<sup>11</sup>**  
Visitors to M+ in 2022.



**695,000**  
Visitors to Hong Kong Palace Museum in 2022. (since opening to the public on 3 July 2022).

<sup>1</sup> Census and Statistics Department, [https://www.censtatd.gov.hk/en/web\\_table.html?id=655-83001](https://www.censtatd.gov.hk/en/web_table.html?id=655-83001)

<sup>2</sup> The Chief Executive's 2022 Policy Address, <https://www.policyaddress.gov.hk/2022/en/p43.html>

<sup>3</sup> Culture, Sports and Tourism Bureau, <https://www.cstb.gov.hk/en/policies/culture/west-kowloon-cultural-district.html> and West Kowloon Cultural District, <https://www.westkowloon.hk/en/our-story>

<sup>4</sup> Artnet, <https://news.artnet.com/market/hong-kong-art-basel-preview-2023-2272844>

<sup>5</sup> Research Office Research and Information Division Legislative Council Secretariat, <https://www.legco.gov.hk/research-publications/english/2022issh27-art-sector-in-hong-kong-20221107-e.pdf>

<sup>6</sup> Artprice, <https://www.artprice.com/artprice-reports/the-contemporary-art-market-report-2022/china-with-hong-kong>

<sup>7</sup> The 2022-23 Budget, <https://www.budget.gov.hk/2022/eng/budget34.html>

<sup>8</sup> Digital Art Fair, <https://www.digitalartfair.io/post/xperience-post-fair-report>

<sup>9</sup> The 2022-23 Budget, <https://www.budget.gov.hk/2023/eng/pdf/head095.pdf>

<sup>10</sup> Census and Statistics Department, [https://www.censtatd.gov.hk/en/data/stat\\_report/product/B1010003/att/B10100032022AN2B0100.pdf](https://www.censtatd.gov.hk/en/data/stat_report/product/B1010003/att/B10100032022AN2B0100.pdf)

<sup>11</sup> West Kowloon Cultural District, <https://www.westkowloon.hk/en/>