

Part 2

Economy, Finance, and Trade

Introduction

The HKSAR Government will, in line with the directions set out in the National 15th Five-Year Plan, fully leverage Hong Kong's unique advantages under "One Country, Two Systems" of enjoying strong support from the motherland and being closely connected with the world, so as to consolidate and enhance Hong Kong's status as an international financial centre, international trade centre, international maritime centre, and an international aviation hub, and to accelerate the development of high value-added maritime, aviation and related professional services. Hong Kong will also further strengthen its functions as a global offshore Renminbi business hub, an international asset management centre, and an international risk management centre, while promoting the development of new industries with competitive edge, such as commodities trading, high value-added supply chain services, etc.

Hong Kong's Five-Year Plan should seize new opportunities arising from changes in the global economic paradigm, geopolitical risks, supply chain restructuring, and digital transformation to drive the complementary and coordinated development of four major sectors, namely finance, trade, maritime, and aviation, thereby further enhancing Hong Kong's functions and roles in the country's high-level opening up.

Current Situation

Hong Kong has laid a solid foundation in international finance, trade, maritime, and aviation. Characterised by a mature institutional framework, free capital flow and the rule of law, Hong Kong's financial market has always served as an important platform for international capital allocation and risk management. At the same time, the Hong Kong International Airport is a world-leading aviation hub and cargo airport. On maritime, Hong Kong boasts a well-developed base for high value-added professional services, such

as maritime law, financing, insurance, arbitration, and ship management, and is hence well-equipped to further expand its high-end maritime services.

Meanwhile, the external environment is changing rapidly, global supply chains are undergoing accelerated restructuring, and regional competition is intensifying. Hong Kong needs to continuously deepen its financial market, strengthen connectivity with the Mainland and international markets, expand its international trade network, and step up efforts to attract businesses and investment, while leveraging I&T, digital platforms, and green transformation to enhance the added value and competitiveness of its maritime and aviation sectors.

Policy Directions and Key Proposals

This document sets out the following preliminary and forward-looking policy directions for public discussion and refinement:

1. Promote Hong Kong's high-quality development as an international financial centre
 - Deepen the collaborative development of equity, bond, asset management, and wealth management, as well as insurance and risk management markets, so as to consolidate Hong Kong's status as a global offshore Renminbi centre.
 - Consolidate and enhance Hong Kong's status as an international financial centre, and deeply advance "Finance+" empowerment for various industries (including fintech, green finance, and trade finance, etc.), thereby contributing to the national strategic goal of "accelerating China's development as a financial powerhouse".
 - Build a commodities trading ecosystem, strengthen connectivity with capital markets in the Mainland, and expand cross-boundary investment and financing channels, so as to facilitate Mainland enterprises to "go global" and "bring in" overseas capital.
2. Enhance Hong Kong's status as an international trade centre
 - Expand the international economic and trade network, enhance Hong Kong's function as an ideal platform for Mainland enterprises to go

global, and continuously optimise the environment for foreign investment to guide industry development.

- Build a high value-added supply chain services centre, strengthen Hong Kong's roles as an international business and trade platform and a professional services hub, and drive the synergised development of supporting services, such as trade finance, insurance, testing and certification, legal services and arbitration.
- Actively enhance the Mainland and Hong Kong Closer Economic Partnership Arrangement, with a focus on further liberalising trade in services to contribute to the country's high-level opening up; actively promote regional co-operation in digital trade, expedite the digitalisation of trade documents, and strengthen the function of the convention and exhibition industry as a two-way platform to support Mainland brands in international expansion, while attracting overseas enterprises to introduce quality products and services into the Mainland market.

3. Consolidate and enhance Hong Kong's status as an international maritime centre

- Promote the digitalisation, smart transition and green transformation of Hong Kong's maritime industry, further expand green fuel bunkering and smart port development, and optimise route coverage and regional collaboration, so as to strengthen Hong Kong's role as an international transshipment hub, thereby enhancing the overall competitiveness of the port and shipping industry.
- Consolidate Hong Kong's advantages as an international maritime centre and ship registry to enhance its attractiveness to international maritime enterprises.
- Develop a high value-added maritime services ecosystem, and drive the development of high value-added maritime services, including maritime finance, ship leasing, ship management, marine insurance, maritime law, and arbitration.

4. Consolidate and enhance Hong Kong's status as an international aviation hub
- Expand the aviation network and traffic rights arrangements, and actively explore high-potential markets such as the Middle East, Central Asia, Africa, and South America, so as to strengthen the connectivity of Hong Kong as an international aviation hub.
 - Optimise the regional collaborative and intermodal network of the Greater Bay Area, promote the airport-based intermodal arrangement, cargo hinterland co-operation, and sea-air intermodal transshipment to enhance the cargo transshipment and handling efficiency.
 - Support the development of aircraft leasing, aircraft parts processing and trading, aviation training, and related professional services, build a more comprehensive high value-added aviation industry chain, and build an internationally competitive low-altitude economy ecosystem.

Matters for Consultation

Members of the public may offer views on the aforementioned policy directions, viable policy tools, and the areas in which Hong Kong holds the greatest strengths or potential with regard to consolidating and enhancing its status as an international centre for finance, trade, and maritime, as well as an international aviation hub, and developing high value-added maritime, aviation, commodities trading and high value-added supply chain services.