

# Guangdong-Hong Kong-Macao Greater Bay Area

## **Overview**

The Guangdong-Hong Kong-Macao Greater Bay Area (GBA) is a vibrant city cluster that comprises the Special Administrative Regions (SAR) of Hong Kong and Macao, as well as nine municipalities in Guangdong (Guangzhou, Shenzhen, Zhuhai, Foshan, Huizhou, Dongguan, Zhongshan, Jiangmen and Zhaoqing). The total population in the GBA is over 86 million. Collectively, the GBA represents a vibrant economic force with a GDP of about US\$1.7 trillion.

## **Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area (Outline Development Plan)**

The State Council promulgated the Outline Development Plan on February 18, 2019. The Plan covers the period up to 2022 in the immediate term, extending to 2035 in the long term. Key strategies include:

- Spatial layout, namely building on the four core cities of Hong Kong, Macao, Guangzhou and Shenzhen as core engines for regional development, leveraging the core cities' comparative advantages in striving for excellence and achievements, and strengthening the radiating effect in leading the development of nearby regions.
- Policy measures for developing an international innovation and technology (I&T) hub, expediting infrastructural connectivity, building a globally competitive modern industrial system, taking forward ecological conservation, developing a quality living circle for living, working and travelling, strengthening co-operation and jointly participating in the Belt and Road Initiative, jointly developing Guangdong-Hong Kong-Macao co-operation platforms, as well as the implementation of the Outline Development Plan.
- The Outline Development Plan supports Hong Kong in consolidating and enhancing our status as international finance, transportation and trade centres as well as an international aviation hub, making great efforts to develop the I&T industries, and establishing Hong Kong as the centre for international legal and dispute resolution services in the Asia-Pacific region.

## **Outline of the 14th Five-Year Plan for National Economic and Social Development of the People's Republic of China and the Long-Range Objectives Through the Year 2035 (14th Five-Year Plan)**

The 14th Five-Year Plan, formally approved by the National People's Congress on March 11, 2021, provides a blueprint and action agenda for national development, covering 2021-2025. Contents relating to Hong Kong can be found in chapter 61 on maintaining the long-term prosperity and stability of Hong Kong and Macao and chapter 31 on taking forward the development of the GBA actively and steadily. Main points include:

- Maintaining Hong Kong's long-term prosperity and stability; reinforcing and enhancing Hong Kong's competitiveness and advantages.
- Taking forward the GBA development actively and steadily, and supporting Hong Kong to better integrate into the overall development of the country.
- Deepening and widening the mutual access between the financial markets of the Mainland and Hong Kong.
- Supporting the development of an international I&T hub in the GBA and taking forward the development of major Guangdong-Hong Kong-Macao co-operation platforms including the Lok Ma Chau Loop.
- Strengthening exchanges and co-operation between the Mainland and Hong Kong on different fronts.
- Facilitating young people in Hong Kong and Macao to study, work and start business in the Mainland cities of the GBA and establishing a brand of quality exchanges among the young people of Guangdong, Hong Kong and Macao, etc.

## **Work focus of HKSAR Government**

- Consolidating and enhancing Hong Kong's status as international financial, transportation and trade centres, and a centre for international legal and dispute resolution services in the Asia-Pacific region
- Enhancing, establishing and developing Hong Kong's status as an international aviation and I&T

hub, an “East meets West” centre for international cultural exchange and a regional intellectual property trading hub

- Strengthening infrastructural connectivity
- Expanding the scope of development for sectors in which Hong Kong’s strengths lie
- Fostering youth innovation and entrepreneurship
- Fully utilizing Hong Kong’s international connections and networks to promote the GBA overseas and attract capital and talent to the GBA

### **GBA Opportunities**

- Hong Kong can make use of the GBA as the best entry point to focus on the Mainland opportunities and better integrate into the overall development of the country. This allows Hong Kong to proactively become a “participant” in domestic circulation and a “facilitator” of international circulation in the “dual circulation” development strategy, thereby bringing continuous impetus to Hong Kong’s economy.
- Through the economic, social and livelihood opportunities brought to Hong Kong by the GBA development, the choices of living and career developments for Hong Kong people could be expanded.
- Plays to Hong Kong’s fundamental strengths under the “one country, two systems” principle, including international connections, trusted common law system, world-class professional services and free flows of capital, information and talent.
- Commissioning of cross-boundary key infrastructure, like the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link, the Hong Kong-Zhuhai-Macao Bridge (HZMB) and the Liantang/Heung Yuen Wai Boundary Control Point, promotes cross-boundary business activities and creates a “one hour living circle” in the GBA.
- The Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) is a unique free trade pact that accords tariff-free treatment to goods of Hong Kong origin upon importation into the Mainland and basically achieves liberalisation of trade in services. Besides, Hong Kong investments and investors enjoy investment protection and facilitation in the Mainland; and both sides have agreed to enhance economic and technical co-operation in 22 areas.
- In his 2022-23 Budget Speech, the Financial Secretary announced that he will increase the funding allocated to the Hong Kong Growth Portfolio under the Future Fund by \$10 billion, of which \$5 billion will be used to set up a GBA Investment Fund, which will focus on investment opportunities in the GBA.

### **Hong Kong’s role**

Under “one country, two systems”, Hong Kong enjoys the dual advantages of being part of China, while maintaining its global outlook and institutional advantages. The professional services of Hong Kong are excellent and world-class.

- **Financial services:** Hong Kong is an international financial centre and the world’s leading offshore RMB business hub; full range of globally benchmarked services such as banking, financing, investment, insurance, asset and wealth management and offshore RMB businesses.
- **Legal services:** With the common law system, strong rule of law and independent judiciary, Hong Kong can act as a “deal maker” and “dispute resolver” for enterprises and can serve as the international legal and dispute resolution services centre for the GBA. Arbitral awards made in Hong Kong are enforceable in over 160 Contracting States to the New York Convention. This is complemented by respective arrangements for reciprocal enforcement with Mainland China and Macao.
- **Business services:** Hong Kong has a full range of mature business services, including expertise in marketing, accountancy, project management and risk management, logistics, supply chain management and maritime (such as ship finance, marine insurance and maritime legal and arbitration) services.
- **I&T:** With top-notch tertiary institutions and outstanding scientific research achievements, a robust intellectual property protection regime, advanced financial infrastructure, free flow of information and a vibrant business environment, Hong Kong is well placed to become an international I&T hub.
- **Creative services:** Hong Kong’s creative services, including design, marketing and architectural services, attract attention from markets around the world.

## **High-Level Collaboration**

- Framework Agreement on Deepening Guangdong-Hong Kong-Macao Cooperation in the Development of the Greater Bay Area was signed by the governments of Guangdong, Hong Kong and Macao and the National Development and Reform Commission on July 1, 2017.
- The Central Government has set up the high-level Leading Group for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area (Leading Group) chaired by Vice Premier Han Zheng to co-ordinate and steer the development of the GBA.
- A Steering Committee for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area is chaired by the Chief Executive, with its membership comprising all Secretaries of Departments and Directors of Bureaux.
- To strengthen the promotion and co-ordination work of the HKSARG on the development of the GBA, the Constitutional and Mainland Affairs Bureau established the Guangdong-Hong Kong-Macao Greater Bay Area Development Office and appointed the Commissioner for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area in November 2020.

## **Cross-boundary Co-operation**

### ➤ **Finance:**

- **Cross-boundary Wealth Management Connect** in the GBA was launched on September 10, 2021, enabling residents in Hong Kong, Macao and nine cities in Guangdong Province to carry out cross-boundary investment in wealth management products distributed by banks in the GBA.
- The People's Bank of China and the Hong Kong Monetary Authority signed a Memorandum of Understanding in October 2021 to provide a one-stop platform for financial institutions and technology companies to conduct pilot trials of cross-boundary Fintech initiatives concurrently in Hong Kong and the GBA cities in the Mainland. The platform allows financial institutions and technology companies to obtain early feedback from regulators and users, thereby expediting the launch of Fintech products and lowering development costs.
- Support Hong Kong's insurance industry establish after-sales service centres in the Mainland cities of the GBA to provide Hong Kong, Macao and Mainland residents holding Hong Kong policies with comprehensive support.
- Establish the **Pan-Greater Bay Area Inward Investment Liaison Group** to enable InvestHK and its counterparts in GBA cities to develop joint inward investment proposals to enhance synergy.

### ➤ **Legal:**

- The Co-operative Arrangement on Legal Matters signed between the Department of Justice of HKSARG and Shenzhen Municipal People's Government enhances mutual legal collaboration and exchanges. Under the CEPA framework, partnership associations between Hong Kong and Mainland law firms have been set up in the Guangdong Province with Hong Kong lawyers seconded or employed there. Hong Kong legal practitioners have also been retained as legal consultants by Mainland law firms in the GBA.
- In accordance with the relevant guidelines published by the State Council in October 2020 and the relevant notices issued by the Ministry of Justice, the inaugural GBA Legal Professional Examination was held on July 31, 2021 with examination venues set up in Hong Kong, Shenzhen and Zhuhai. Candidates passing the examination and obtaining a lawyer's practice certificate (GBA) may provide legal services in the nine Mainland municipalities in the GBA on specified civil and commercial matters (including litigation and non-litigation matters) to which Mainland laws apply.
- The Regulations of the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone of the Shenzhen Special Economic Zone were amended and approved in August 2020 and implemented from October 2020. The Regulations allow Hong Kong, Macao, Taiwan and foreign enterprises registered in Qianhai Cooperation Zone, in the absence of any foreign-related elements, to agree on the choice of applicable law, including Hong Kong law, in their civil and commercial contracts. The promulgation of the Plan for Comprehensive Deepening Reform and Opening Up of the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone (Qianhai Plan) in September 2021 significantly expands the area of the Qianhai Cooperation Zone, which will enable more enterprises to benefit from the measure of allowing "Hong Kong-owned enterprises to adopt Hong Kong laws".
- In relation to the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters between the Courts of the Mainland and of the HKSAR signed in

January 2019 with the Mainland, the Department of Justice is actively taking forward the relevant legislative work, with a view to implementing such Arrangement as early as possible thereby establishing a legal mechanism with greater clarity and certainty for reciprocal recognition and enforcement of judgments in a wider range of civil and commercial matters.

- The Department of Justice and the High People's Court of Guangdong Province signed a framework arrangement on exchange and mutual learning in legal aspects between Hong Kong and Guangdong in September 2019, under which the two sides agreed to encourage and facilitate courts in the Guangdong Province and relevant legal bodies in Hong Kong to launch projects on legal exchange and mutual learning, as well as conduct relevant training.
- The Department of Justice of Guangdong Province, the Secretariat for Administration and Justice of the Macao SAR and the Department of Justice of the HKSARG have agreed to establish a joint conference mechanism among the three legal departments to strengthen legal exchanges and collaborations between the three places with a view to jointly promoting legal development in the GBA.
- The promulgation of the GBA Mediator Accreditation Standards and the GBA Mediator Code of Conduct Best Practice by the **GBA Mediation Platform** in December 2021 will facilitate the use of Hong Kong's mediation services for cross-boundary disputes within the GBA.
- The Arrangement Concerning Mutual Assistance in Court-ordered Interim Measures in Aid of Arbitral Proceedings by the Courts of the Mainland and of the HKSAR was signed in April 2019. Hong Kong becomes the first jurisdiction outside the Mainland where, as a seat of arbitration, parties to arbitral proceedings administered by qualified arbitral institutions would be able to apply to the Mainland courts for interim measures.
- The Department of Justice and the Supreme People's Court signed the Record of Meeting on Mutual Recognition of and Assistance to Bankruptcy (Insolvency) Proceedings between the courts of the Mainland and of the HKSAR in May 2021, which establishes a framework for co-operation whereby a Hong Kong liquidator or provisional liquidator may apply to the relevant Mainland court at a pilot area for recognition and assistance, and Shenzhen is one of the pilot areas; whilst a Mainland bankruptcy administrator may continue to apply to the Hong Kong court for recognition and assistance in accordance with the existing common law principles in Hong Kong.
- The HKSAR Government will explore with the relevant authorities in the Mainland the implementation of the measure of allowing "Hong Kong-owned enterprises to adopt Hong Kong laws and arbitration to be seated in Hong Kong", and strive for the wider use in the entire GBA of Hong Kong laws and of Hong Kong as a place of arbitration outside the Mainland. The exploration with Shenzhen also covers the enhancement of the implementation mechanism concerning co-operation in cross-boundary insolvency.

➤ **I&T:**

- The Ministry of Science and Technology (MOST) and HKSARG signed the Arrangement on Enhancing I&T Cooperation between the Mainland and Hong Kong in September 2018 to enhance I&T co-operation and exchanges between Hong Kong and the Mainland. Both sides also signed a research funding agreement, and accordingly launched the "Mainland-Hong Kong Joint Funding Scheme" in April 2019 to encourage research and development co-operation. Besides, designated universities and research institutions in Hong Kong may apply for certain Mainland science and technology funding schemes and use the funding granted in Hong Kong.
- Hong Kong is developing the Lok Ma Chau Loop into the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in full swing, with a view to completing the first batch of eight buildings in phases starting from end-2024. Hong Kong is working with Shenzhen to jointly develop the Shenzhen-Hong Kong I&T Co-operation Zone (Co-operation Zone), comprising the HSITP and Shenzhen Innovation and Technology Zone (SZ I&T Zone), to realise "one zone, two parks" under "one country, two systems".
- Hong Kong and Shenzhen governments signed the "Co-operation Arrangement on the Establishment of 'One Zone, Two Parks' in the Shenzhen-Hong Kong Innovation and Technology Co-operation Zone at the Lok Ma Chau Loop" (the Co-operation Arrangement) in September 2021. Under the Co-operation Arrangement, the Hong Kong Science and Technology Parks Corporation will kick start the establishment of the Shenzhen branch of Hong Kong Science Park in the SZ I&T Zone, allowing institutes and enterprises that are interested in starting business in the GBA to first establish presence in the Co-operation Zone. At the same time, in order to attract talents and enterprises to develop in the Co-operation Zone, the governments of both sides have launched joint policy to implement measures conducive to the flow of talent, scientific research resources and business development, etc.
- In September 2021, the MOST announced a series of new measures benefitting Hong Kong

which include opening up more national-level science and technology programmes to Hong Kong, allowing young academics in Hong Kong to apply for the "Young Scientists Fund" under the National Natural Science Foundation of China, welcoming personnel and experts in Hong Kong's science and technology sector to participate in nationwide academic associations of the China Association for Science and Technology as well as be admitted to the National Science and Technology Expert Database and the Award Assessment Expert Database, enhancing the mechanism on shared use of large-scale instruments and equipment for R&D with Hong Kong, deepening science and technology exchanges between people in the Mainland and Hong Kong, and supporting Hong Kong to participate in the setting up of a National Center of Technology Innovation.

➤ **Healthcare:**

- The measure of allowing designated healthcare institutions operating in the GBA to use Hong Kong-registered drugs with urgent clinical use, and medical devices used in Hong Kong public hospitals with urgent clinical use has been implemented since August 2021, after its successful trial at the University of Hong Kong Shenzhen Hospital. As of July 2022, 18 drugs and 11 medical devices are allowed to be used in five hospitals in Shenzhen, Guangzhou, Zhuhai and Zhongshan as approved by the Health Commission of Guangdong Province. The HKSAR Government is seeking to expand the directory of applicable drugs and medical devices, and extend the measure to cover more healthcare institutions in the GBA that meet relevant requirements.
- Allowing traditional proprietary Chinese medicine (pCm) products for external use registered in Hong Kong to be also registered and sold in the GBA through a streamlined approval process, enabling Hong Kong pCm manufacturers to expand their markets, as well as creating favourable conditions for Hong Kong pCms to "go global" in the long run. The first batch of pCm products approved for sale in the Mainland through the measure was announced in December 2021.
- Selected pilot sites of public Chinese medicine healthcare institutions in Guangzhou, Shenzhen and Zhuhai started to recruit Hong Kong Chinese medicine practitioners in 2021 on contract terms, which enables Hong Kong Chinese medicine practitioners to further their practice within the national healthcare system, thereby promoting exchanges in Chinese medicine.

➤ **Transport:**

- Press ahead with the "**Quota-free scheme for Hong Kong private cars travelling to Guangdong via the HZMB**", facilitating Hong Kong residents to drive to Guangdong Province for business, visiting families or sight-seeing on a short-term basis; and draw on the implementation experience of the scheme and proactively study the extension of the scheme to a Hong Kong/Shenzhen land boundary control point, such that Hong Kong private cars can travel to both the eastern and western parts of Guangdong.
- Rationalise the Hong Kong-Shenzhen land boundary control points by adjusting the functions and extending operating hours of some of these land boundary control points to progressively implement the "**East in East out, West in West out**" planning strategy for cross-boundary goods transport.
- An airside intermodal cargo handling facility will be established at Hong Kong International Airport (HKIA) and an upstream HKIA Logistics Park will be set up in Dongguan to facilitate seamless transportation of export cargo from the Mainland to the HKIA for transshipment to overseas destinations.

➤ **Culture and Tourism:** The Culture and Tourism Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area sets out the directions for the overall cultural and tourism development of the GBA and guides the development of the GBA into an exchange hub for culture of the East and the West and a world-class tourism destination. It not only helps Hong Kong to further develop into a centre for arts and cultural exchange between China and the rest of the world as set out in the 14th Five-Year Plan, but also helps strengthen the positions of Hong Kong as an international cultural metropolis and, tourism hub as well as a core demonstration zone for multi-destination tourism.

➤ **Commerce:** Launched a [one-stop "GoGBA" digital platform](#) via the Hong Kong Trade Development Council to provide multi-faceted support for Hong Kong enterprises, including market information and related government policies on the GBA, business enquiry service, training, networking as well as promotion, and matching opportunities.

➤ **Creative:** The Hong Kong-Shenzhen Design Innovation Hub (now named "Zetta Bridge, Qianhai Shenzhen") was opened in 2019. It becomes an exchange platform to boost further collaboration between Shenzhen and Hong Kong in design and creative industries.

➤ **Education:** Support and assist Hong Kong universities' plans to provide education services in the

GBA.

- **Youth Employment and Entrepreneurship:** Launched the **GBA Youth Employment Scheme**, the **Funding Scheme for Experiential Programmes at Innovation and Entrepreneurial Bases in the GBA** and the **Funding Scheme for Youth Entrepreneurship in the GBA** to enhance the career development opportunities for young people in the GBA. A total of 1,091 young people have been employed through **GBA Youth Employment Scheme**.
- **Equine Industry:** Jointly promote the development of equine industry in the GBA through collaboration with the Hong Kong Jockey Club and its racecourse in Conghua, Guangzhou.
- **Professional Services:**
  - The Central Government promulgated the Qianhai Plan on September 6, 2021. The area of the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone will be increased significantly from 14.92 square kilometres to 120.56 kilometres. It also emphasises promoting high-level opening up in Qianhai, fostering innovative development of modern service industries, and accelerating the building of a system of modern services that is compatible with Hong Kong and international standards. The Zone announced nine Hong Kong-related facilitation measures in June 2022 covering areas such as youth innovation and entrepreneurship, technology development, financial services, legal services and medical services. These measures will provide support to Hong Kong people and enterprises developing in Qianhai and bring greater convenience to young people of Hong Kong and Macao seeking to develop their careers in Shenzhen.
  - The Department of Housing and Urban-Rural Development of Guangdong Province promulgated “Interim Guidelines for the Management of Hong Kong Engineering Construction Consultant Enterprises and Professionals Starting Business and Practising in the Guangdong-Hong Kong-Macao Greater Bay Area Cities” (Interim Guidelines) which allow consultant firms on the two government lists, as well as professionals registered with relevant registration boards in Hong Kong, to be able to directly provide services in the nine Mainland cities of the GBA by obtaining equivalent qualifications in the Mainland through a registration system. The Interim Guidelines, which took effect on January 1, 2021, cover four professional sectors: architecture, engineering, surveying and landscape architecture.
  - The “Management for Registration of Hong Kong and Macao Planning Professional Enterprises Starting Businesses in Guangdong Province” and “Matters Concerning Planning Professionals Registered in Hong Kong and Macao Practising in Guangdong Province”, promulgated by the Department of Natural Resources of Guangdong Province, took effect from September 1 and February 19, 2021 respectively. The relevant measures allow Hong Kong planning professional enterprises as well as professionals registered with the Planners Registration Board in Hong Kong to directly provide services in Guangdong Province including the nine Mainland cities of the GBA after registration. Similar measures have also been promulgated in Qianhai and Hengqin.

### **Policy Measures by the Central Government**

Since July 1, 2017, measures were introduced by the Central Government to facilitate Hong Kong people’s development in the GBA. Major facilitation policies and measures include:

- Mainland higher education institutions must accord equal treatment to Hong Kong and Macao students in admission, nurturing, management and supporting.
- Removing the requirement for people from Hong Kong and Macao to apply for employment permits to work in the Mainland.
- Allowing Hong Kong and Macao people working in the Mainland to join the Housing Provident Fund.

**First plenary meeting of the Leading Group** on August 15, 2018: the Central Government introduced a resident permit to facilitate Hong Kong people’s development in the GBA.

**Second plenary meeting of the Leading Group** on March 1, 2019: eight measures were announced:

- The method for calculating “183 days” for paying individual income tax in the Mainland.
- Providing tax relief by municipal governments to non-Mainland (including Hong Kong) high-end talent and talent in short supply.
- Supporting the open recruitment of Hong Kong and Macao residents by public institutions in the GBA.
- Encouraging innovation and entrepreneurship in the nine Mainland cities of the GBA by the youth of Hong Kong and Macao.

- Supporting higher education institutions and scientific research institutes from Hong Kong and Macao to participate in projects under Guangdong technology programmes.
- Introducing immigration facilitation reform pilot schemes in the GBA.
- Facilitating vehicles from Hong Kong and Macao entering and exiting Mainland ports.
- Expanding the implementation scope of the connection with the Speedy Customs Clearance between Customs administrations.

**Third plenary meeting of the Leading Group** on November 6, 2019: 16 measures were announced:

**Policies and measures benefiting members of the public**

- Facilitating property purchases by Hong Kong residents in the Mainland cities of the GBA.
- Supporting the use of mobile electronic payment by Hong Kong residents in the Mainland.
- Pilot scheme for Hong Kong residents to open Mainland personal bank accounts in the GBA remotely by attestation.
- Ensuring that the children of Hong Kong and Macao residents enjoy the same education as those of Mainland residents.
- Exploring the establishment of a cross-boundary wealth management scheme.
- Facilitating non-Chinese Hong Kong permanent residents to travel to and from the Mainland cities in the GBA.
- Permitting the use of Hong Kong-registered drugs and common medical devices in designated Hong Kong-owned healthcare institutions in the GBA.

**Policies and measures supporting professional services**

- Measures on partnership associations by Hong Kong and Mainland law firms, legal consultants and special examinations.
- Further extending the scope of mutual recognition of qualifications for construction professionals
- Expanding the scope of liberalisation measures for construction professionals from Hong Kong and Macao to practise in the Mainland.
- Preferential treatment on insurance regulation.
- Removing the requirement on years of operating experience for Hong Kong service suppliers to provide insurance loss adjusting services in the Mainland.
- Supporting bond market development in Hong Kong and Macao (catastrophe bonds).

**Policies and measures supporting I&T development**

- Supporting the development of the Shenzhen-Hong Kong Innovation and Technology Co-operation Zone.
- Facilitating customs clearance of imported animal-derived biomaterials.
- Relaxing the limitation on exporting Mainland human genetic resources to Hong Kong and Macao.

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