

# Hong Kong's role in the National 14th Five-Year Plan

## Overview

The 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), formally approved by the National People's Congress on March 11, 2021, provides a blueprint and action agenda for national development, covering 2021-2025. It sets out the role and positioning of Hong Kong in the overall development of the country, which presents room for development and opportunities in various areas of particular importance.

## Contents relating to Hong Kong in the 14th Five-Year Plan

### Maintaining Hong Kong's long-term prosperity and stability

- Fully and faithfully implement the principle of "one country, two systems", "Hong Kong people administering Hong Kong" and a high degree of autonomy, uphold that Hong Kong be administered in strict accordance with the law; uphold the constitutional order as enshrined in the Constitution and the Basic Law, uphold the Central Authorities' overall jurisdiction over the Hong Kong Special Administrative Region (HKSAR)
- Implement the legal system and enforcement mechanisms for the HKSAR to safeguard national sovereignty, security and development interests of the nation and the social stability of the HKSAR, and resolutely prevent and curb interference by external forces in the affairs of Hong Kong
- Support Hong Kong to reinforce and enhance its competitive advantages and to better integrate into the overall development of the country

### Reinforcing and enhancing Hong Kong's competitive advantages

- Continue to support the "four traditional centres" of Hong Kong, namely international financial centre (including global offshore Renminbi business, international asset management and risk management); international transportation centre; international trade centre; and a centre for international legal and dispute resolution services in the Asia-Pacific region
- Raise for the first time the support for Hong Kong to enhance, establish and develop the "four emerging centres", namely an international aviation hub, an international innovation and technology (I&T) centre, a regional intellectual property trading hub and a hub for arts and cultural exchanges between China and the rest of the world.

### Taking forward the development of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) actively and steadily and supporting Hong Kong to better integrate into the overall development of the country

- Strengthen the co-ordinated development of industry, education and research in Guangdong, Hong Kong and Macao, improve the "two corridors and two poles" framework system, promote

the setting up of an integrated national science centre, and facilitate the cross-boundary exchange of innovative elements

- Accelerate the construction of intercity railways, co-ordinate the functional distribution of ports and airports, and optimise the distribution of navigation and aviation resources
- Deepen the reform on the mode of boundary clearance and facilitate the efficient flow of people, goods and vehicles
- Extend mutual recognition of professional qualifications between the Mainland and Hong Kong as well as Macao, and strengthen regulatory interface and connectivity in key areas
- Facilitate young people in Hong Kong and Macao to study, work and start business in the Mainland cities of the GBA, and establish a brand of quality exchanges among the young people of Guangdong, Hong Kong and Macao
- Deepen and widen mutual access between the financial markets of the Mainland and Hong Kong
- Deepen Guangdong-Hong Kong-Macao co-operation and Pan-Pearl River Delta regional co-operation, and promote the development of major platforms for Guangdong-Hong Kong-Macao co-operation including Qianhai in Shenzhen, Hengqin in Zhuhai, Nansha in Guangzhou, the Shenzhen-Hong Kong Loop, etc.
- Strengthen exchanges and co-operation between the Mainland and Hong Kong on different fronts.

### **Opportunities for Hong Kong under 14th Five-year Plan**

The 14th Five-Year Plan underscores a commitment to the **“dual circulation” concept for economic development**, driven by reform and innovation, led by quality supply and creating new demands, with the domestic market as the mainstay, while enabling domestic and foreign markets to interact positively with each other.

Hong Kong will proactively become a **“participant” in domestic circulation and a “facilitator” of international circulation** in the “dual circulation” development strategy

The Government will continue to formulate and implement various policy measures, make good use of Hong Kong's connectivity with the Mainland and international markets, and leverage the enormous opportunities presented by the GBA development and the Belt and Road Initiative to contribute to the economic development and opening up of the country.

### **Four established sectors continue to be enhanced**

- **International financial centre**
  - Strengthening Hong Kong's status as a global offshore Renminbi business hub, an international asset management centre and a risk management centre
  - Deepening and widening of mutual access between the financial markets of Hong Kong and the Mainland
  - Developing Hong Kong into a green finance centre and promoting the ecological conservation and green development of the country
  - Innovation and technology (I&T) acting as a strong driving force for the development of the financial sector, assuring the progress already made: home to more than 600 fintech

companies and start-ups; eight virtual banks and four virtual insurers; launch of the Faster Payment System

- Continuing to promote the cross-boundary application of Fintech in Hong Kong and the Mainland, so as to reinforce Hong Kong's status as a leading Fintech hub

➤ **International transportation centre**

- Leveraging on Hong Kong's strength as an international maritime centre to facilitate the development of a world-class port cluster in collaboration with other cities in the GBA
- Promoting the development of the maritime and logistics industry in accordance with the country's plans and needs, especially the development of high value-added maritime and logistics services, ranging from ship management, ship finance and leasing, marine insurance, maritime law and dispute resolution services
- Actively conducting policy studies, as well as facilitating the development of smart port and digitalisation in shipping, with a view to maintaining Hong Kong's competitive advantage and consolidating its status as an international maritime centre

➤ **International trade centre**

- Tapping into the business opportunities brought about by the twin engines of the country's economic development in the Belt and Road Initiative and the GBA development
- Striving to establish and maintain close and stable economic and trade relations with trading partners around the world and forging free trade agreements and investment agreements, as well as expanding the network of the overseas Hong Kong Economic and Trade Offices

➤ **International legal, deal-making and dispute resolution hub in the Asia-Pacific**

- Further enhancing the work with the Mainland on judicial and dispute resolution matters in civil and commercial cases, as well as strengthening international and regional legal co-operation
- Continuing to strengthen and promote Hong Kong's deal-making and dispute resolution services in the GBA and along the Belt and Road regions

**Four emerging sectors to enhance and develop**

➤ **International aviation hub**

- Hong Kong International Airport (HKIA) is consistently rated as one of the best and busiest in the world. In 2019, the HKIA handled 71.5 million passengers and 4.8 million tonnes of cargo and airmail
- Upon the full commissioning of the Three-Runway System currently under construction, HKIA will be able to serve around 100 million passengers and handle around 9 million tonnes of cargo annually, with capacity for further enhancement
- A premium logistics centre is expected to be completed at HKIA in 2023
- The development of the Hong Kong Boundary Crossing Facilities Island of the Hong Kong-Zhuhai-Macao Bridge, together with the HKIA's Three-runway System, the premium logistics centre, the SKYCITY project and the future development of AsiaWorld-Expo on the Airport Island, will transform the area into an "Airport City"

➤ **International I&T hub**

- Hong Kong has invested over HK\$110 billion (about US\$14.1 billion) and rolled out a series of measures
- Gross Domestic expenditure on Research and Development increased to HK\$26.3 billion in 2019
- Number of local start-ups tripled from 2014 to over 3,360 in 2020; human resources increased by over four times
- Venture capital increased about seven times from 2014 to about HK\$10 billion in 2020
- Eleven unicorns emerged in Hong Kong
- Actively collaborating with other GBA cities, in particular with Shenzhen on the I&T front, to participate in the development of the GBA into an international I&T hub
- Pressing ahead with the development of the Hong Kong-Shenzhen Innovation and Technology Park, with the first batch of development providing eight buildings expected to be completed in phases from 2024 to 2027
- Exploring measures to facilitate cross-boundary flow of innovation elements

➤ **East-meets-West centre for international cultural exchange**

- With its strategic location at the heart of Asia, Hong Kong will continue to be an important place for bringing together cities and countries, providing a hub for different cultures to meet, influence one another and evolve
- Fostering closer partnerships with world-class cultural institutions. Hong Kong will host the Mid-year Congress of the International Society for the Performing Arts in May 2022 - the first Asian city to host the congress twice. Activities will include visits to the latest cultural facilities in Hong Kong and Shenzhen to introduce to overseas arts administrators the arts and cultural development of Hong Kong and the GBA
- Hong Kong will continue to promote cultural exchange activities with the Mainland (including the GBA) and overseas to strengthen the sense of belongings of Hong Kong residents to the motherland and to demonstrate the soft powers of Chinese culture to the world through cultural activities
- West Kowloon Cultural District (WKCD) is one of the world's largest cultural infrastructure projects. Blending traditional local culture with international and contemporary elements, WKCD showcases the unique identity of Hong Kong as a metropolis where East meets West, and establishes Hong Kong as one of the most vibrant arts and cultural hubs in the world.
- WKCD offers world-class integrated arts and cultural facilities, including a museum of modern and contemporary visual culture M+, and Hong Kong Palace Museum, which will showcase the finest objects from the Palace Museum. They are expected to open at the end-2021 and mid-2022 respectively.

➤ **Regional intellectual property (IP) trading centre**

- Hong Kong will intensify efforts on all fronts to promote the city as an IP trading hub in the region.
- The Government will considerably strengthen collaboration with the Mainland and Macao authorities on IP protection, management and commercialisation to help businesses and professional service providers leverage the opportunities offered by the GBA development

and take advantage of Hong Kong in the IP scene for entering the international market.

### Developing a **high-quality GBA**

- Leveraging our close proximity, Hong Kong can make use of GBA as the best entry point to integrate into the overall development of the country
- Strengthening exchanges and co-operation between Hong Kong and the Mainland on different fronts, including financial services, trade and commerce, I&T, aviation etc. to leverage complementary advantages and promote coordinated regional economic development
- As a major Guangdong-Hong Kong-Macao cooperation platform, the Hong Kong-Shenzhen Innovation and Technology Park at the Lok Ma Chau Loop will be an important engine for Hong Kong to take forward the development of an international I&T hub in the GBA
- Facilitating Hong Kong enterprises to make good use of opportunities in the GBA and tap the Mainland domestic market, including launching the GoGBA one-stop digital platform to provide market information on the GBA and related government policies, training as well as business promotion, development and matching services
- Taking forward the implementation of various facilitation measures including tax concessions, facilitation of property purchase, and liberalisation of the legal and construction professional services, which have greatly helped Hong Kong residents and professionals to reside, work and develop in the Mainland cities of the GBA
- Launching various schemes, including the GBA Youth Employment Scheme and the Funding Scheme for Youth Entrepreneurship in the GBA to help Hong Kong's young people to develop in the Mainland cities of the GBA

### Social Development

- Improving policy measures to enable Hong Kong residents to develop and live in the Mainland.
- Strengthening education on the Constitution and the Basic Law and national development, and enhancing national awareness and patriotism among Hong Kong people.

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