

Cover Letter + 3 Policy Areas	PA paragraph(s)	
Ensuring Hong Kong remains Asia's World City		
New meaning should be embedded to reflect today and future; ambitious vision for securing the leading role in Asia (comparable to other world cities like London and NY).		
The ambitious vision has to be collective and consistently across all Government's work, for clarity to businesses / citizens across HK and the world.		
1. A Leading International Trade and Financial Centre		
Create and maintain a trustworthy and attractive hub to investors and trading enterprises with Rule of Law.	30, 39	<p>Hong Kong ranks among the world's largest import and export markets for gold by volume. The current complexity in geopolitics underscores our city's edge in security and stability, and hence an attractive location for investors for gold storage, spurring relevant activities such as gold trading, settlement, and delivery. We will capitalise on our strengths as an international financial centre to build Hong Kong into an international gold trading centre.</p> <p>We will continue to actively expand and deepen our overseas networks, including forging financial co-operation with the Middle East and the region of the Association of South East Asian Nations (ASEAN), organising more international financial mega events, and exploring further collaboration with Islamic markets in the area of finance.</p>
Being the best and largest sustainable finance hub in Asia to support Hong Kong's goal of continuing to lead as an international trade and financial centre.	29, 31	<p>The development of international financial, shipping and trading centres are closely intertwined. Besides expanding and strengthening our existing businesses, we will also explore new growth areas, specifically by creating a commodity trading ecosystem to attract relevant enterprises to establish presence in Hong Kong, turning our city into an operation centre for international commodity trading, storage and delivery, shipping and logistics, risk management, and more. This will help develop the markets in international gold, non-ferrous metal, green transportation, and others, further promoting the integrated development of Hong Kong as an international financial, shipping and trade centre. // The Government will facilitate an international commodity exchange to set up accredited warehouses in Hong Kong. We will also introduce measures such as a preferential tax regime to attract enterprises to expand their business in Hong Kong, and to increase storage and trade volume of commodities.</p>
* Engage UK Government for establishing an electronic system for the settlement transfer of securities which are listed on both LSE and HKEX and urge UK to address potential regulatory barriers in the process through bilateral conversations.	99(iv)	promoting the development of the digital securities market – The HKMA will soon launch the Digital Bond Grant Scheme to encourage more financial institutions and issuers to adopt tokenisation technology in capital market transactions.
* Introduce a 'Returning Asia HQ to HK' subsidy or incentive programme, to attract new or previous companies to set up regional or global headquarters in HK.	60 (i)	establishing a high value-added supply chain services mechanism – The Invest Hong Kong (InvestHK) and the Hong Kong Trade Development Council (HKTDC) will set up a mechanism and enhance the interface for attracting Mainland enterprises to establish international or regional headquarters in Hong Kong, providing one-stop, diversified professional advisory services for enterprises in Hong Kong looking to go global;
	41	To promote financial inclusion, we will facilitate members of the public in making cross-boundary transactions and payments. The HKMA and the People's Bank of China are pushing forward the linkage of fast payment systems in the two places, i.e. the Faster Payment System (FPS) in Hong Kong and the Internet Banking Payment System (IBPS) in the Mainland , to facilitate real-time, cross-boundary small-value payments by residents on both sides; and they will implement the arrangement enabling issuance of bank cards by Mainland branches of Hong Kong-incorporated banks in the Mainland.
	60(iv)	promoting electronic trade financing – The HKMA is experimenting with tokenised electronic bills of lading through its Project Ensemble Sandbox. The goal is to lower fraud risks through the better use of technology and to facilitate the provision of trade financing by financial institutions. The HKMA will work with other jurisdictions on a pilot basis to develop mechanisms for trade information transmission, promoting cross-boundary data transfers and the digitalisation of international trade. It will also allow potential stablecoin issuers to test blockchain use cases, including solutions for cross-boundary payments through the stablecoin issuer sandbox; and

* Work with Central and provincial governments to establish a cross-border framework for the

<p>Work with central and provincial governments to establish a cross-border framework for the digitalisation of trade contracts. (can be via supporting the development of an existing prototype framework such as M-Bridge).</p>	<p>97-98, 99(i)</p>	<p>The Government will push forward reforms in the digitalisation of enterprises and trade. Measures include fostering participation in discussions among the international community about the development of digital economy and exploring the inclusion of relevant provisions in bilateral trade agreements during the negotiation process, with a view to promoting digital trade and cross-boundary e-commerce. The Commerce and Economic Development Bureau is developing the Trade Single Window to provide a one-stop electronic platform. It will help the industry lodge import and export trade documents for trade declaration and customs clearance. Separately, the HKMA has established a working group to conduct an in-depth study into the changes in future supply chains and make recommendations. The scope of study covers promoting the digitalisation of trade through areas such as talents and financial infrastructure, as well as the technology and legal framework, with the goal to lower trade cost and upgrade the trade ecosystem. Promoting the use of CBDCs for cross-boundary payment – The HKMA is actively testing and exploring more add-on technology solutions and use cases related to cross-boundary trade settlement on the mBridge platform, and will further widen the participation of both the public and private sectors;</p>
<p>* Expand scope of the Capital Investment Entrant Scheme (CIES) which currently only contains seven Permissible Investment Asset Classes, for example including long-term life insurance products.</p>	<p>38(ii)</p>	<p>enhancing the New Capital Investment Entrant Scheme – Effective today, investment in residential properties is allowed provided that the transaction price of the residential property concerned is no less than \$50 million, with the amount of real estate investment to be counted towards the total capital investment capped at \$10 million. In addition, investments made through an eligible private company wholly owned by an applicant will be counted towards the applicant's eligible investment with effect from 1 March 2025</p>
<p>* Support extension of the Grant Scheme for OFCs and Real Estate Investment Trusts for three years to attract more funds to domicile in Hong Kong.</p>		
<p>*Build a more holistic offshore RMB ecosystem with Mainland authorities for international investors and corporations by increasing the supply and issuance frequency of offshore RMB bonds in Hong Kong:</p> <p>a) establishing a <u>central RMB bill/ treasury bond issuance schedule</u> to facilitate market with planned issuance size and schedule adhered to, in order to support establishing benchmarks across various tenors spanning 3 months to 10 years and with a pricing mechanism based on market-driven levels</p> <p>b) issuing <u>offshore RMB bonds with longer maturities</u> (i.e. 5-10 years) for investment tenors of fund management companies and insurance companies in order to meet market demand</p> <p>c) <u>including domestic bonds</u> (including treasury bonds and policy bank bonds) held by foreign investors under Bond Connect in the clearing house's scope of eligible noncash collateral</p> <p>d) <u>increasing trading quotas of market-making banks under Southbound Bond Connect</u> to facilitate increased liquidity</p> <p>e) <u>expanding the scope of qualified investors</u> to allow corporations, insurance companies, asset managers, and family offices to participate in investments <u>through Bond Connect or direct investment in the interbank bond market</u>.</p>	<p>34-35</p>	<p>We will continue to enhance the mutual market access regime and reinforce our status as the world's largest offshore Renminbi (RMB) business hub, contributing to the internationalisation of RMB. Key measures include continuously improving our infrastructure and upgrading the Central Moneymarkets Unit to facilitate the settlement of various assets in different currencies by international investors. We will also develop the fixed income market infrastructure by, for instance, setting up a central clearing system for RMB-denominated bond repurchase (repo) transactions, making RMB sovereign bonds issued in Hong Kong a more popular choice of collateral in offshore markets. We will look to enhance the Cross-boundary Wealth Management Connect Scheme as well. We will also strive to bolster offshore RMB liquidity and make good use of the currency swap agreement between the HKSAR and our country, enabling the Hong Kong Monetary Authority (HKMA) to better support Hong Kong's economic and trade development; expand the night-time, cross-boundary service capability of Hong Kong's RMB Real Time Gross Settlement System to facilitate global settlement in offshore RMB markets; and explore the provision of more diversified channels for obtaining offshore RMB financing.</p>
	<p>36</p>	<p>We will provide more RMB-denominated investment products – (i) the Hong Kong Exchanges and Clearing Limited (HKEX) to encourage more listed companies to have shares listed in the RMB stock trading counter, and expand the scope of RMB equities; (ii) to increase issuance of RMB bonds and support issuance of more green and sustainable offshore RMB bonds in Hong Kong; (iii) to seek support from the Ministry of Finance for boosting the size and frequency of issuing RMB sovereign bonds, and launching offshore RMB sovereign bond futures as soon as possible, in Hong Kong; and (iv) to actively liaise with the Mainland authorities to expand the Bond Connect (Southbound Trading) as appropriate, including expanding the scope of eligible Mainland investors to non-bank financial institutions such as securities firms and insurance companies; and enriching liquidity management tools that facilitate offshore investors' investment in onshore bonds by actively exploring and introducing, at appropriate juncture, various bond repo and collateral products and arrangements using onshore RMB bonds.</p>

	38(i)	collaborating with sovereign wealth funds in regions along the Belt and Road (B&R) – We will strive to collaborate with large-scale sovereign wealth funds in regions such as the Middle East, in financing the setting up of funds to invest in assets in the Mainland and other regions;
* Consider port relocation / GBA port project (moving cargo handling elements to another location, whilst preserving cruise and passenger facilities / wholesale relocation of the port to a greenfield site / freeing up KwaiTsing site for much needed housing and commercial development).	70-71	The AAHK is pressing ahead in full steam with the innovative development of a sea-air intermodal cargo-transshipment mode in collaboration with Dongguan. The initial stage of first-phase construction for the permanent logistics park in Dongguan, the HKIA Dongguan Logistics Park, will be completed by the end of next year, and the cargo-handling capacity will progressively reach one million tonnes per annum. Advance planning will be made to commence the second-phase development, introducing more high value-added logistics, cross-boundary e-commerce and courier service facilities. The Government will extend arrangements under the Air Transshipment Cargo Exemption Scheme to other intermodal cargo-transshipment modes to boost competitiveness.
2. The Superconnector between China and the World		
Raise Hong Kong's profile as an international insurance centre and Sustainable Finance Hub.		
The GBA & Mainland		
More cross-border connectivity schemes to strengthen Hong Kong's position in the GBA.	64	We will strengthen the range of financial services available for Mainland enterprises in Hong Kong wishing to expand overseas, encouraging Mainland financial enterprises to co-ordinate and manage their overseas business in Hong Kong and facilitating their internationalisation. The HKMA is exploring ways to enable Mainland enterprises looking to go global to enjoy facilitation of cross-boundary RMB settlement and financing through enhanced offshore RMB liquidity, utilising technology and promoting international collaboration.
Improvement in areas such as data access and capital flow in the GBA	99(i)	The Government will continue to promote the development of innovative financial services including Central Bank Digital Currencies (CBDCs), mobile payment, virtual banks, virtual insurance and virtual asset (VA) transactions . The FSTB will shortly issue a policy statement, setting out its policy stance regarding the application of AI in the financial market. Other measures include: promoting the use of CBDCs for cross-boundary payment – The HKMA is actively testing and exploring more add-on technology solutions and use cases related to cross-boundary trade settlement on the mBridge platform, and will further widen the participation of both the public and private sectors;
* Further enhance the Wealth Management Connect (WMC) scheme, and allow the participation of insurance companies and <u>inclusion of investment-linked insurance products</u> . In the short term, expanding the product scope to include bonds, gold, SFC regulated securities and structured products with a wider range of risk scores should also be considered.	37 43-44	Hong Kong has the highest concentration of insurance companies and the highest insurance density in Asia. To further strengthen Hong Kong's position as a global risk management centre, the Insurance Authority will initiate a review next year. We will examine capital requirements for infrastructure investment, enriching insurance companies' asset allocation for risk diversification and driving investment in infrastructure such as the Northern Metropolis. We will also continue to invite Mainland and overseas enterprises , including large state-owned enterprises in the Mainland, to establish captive insurers in Hong Kong . The Government will promote the development of world-class gold storage facilities, facilitating the storage and delivery of spot gold by users and investors in Hong Kong , and driving demand for related services such as collateral and loan businesses, opening up new growth areas of the financial sector. The Financial Services and the Treasury Bureau (FSTB) will set up a working group to take forward the establishment of an international gold trading centre. This will include, among other things, strengthening the trading mechanism and regulatory framework, promoting application of cutting-edge financial technology, and actively exploring with the Mainland authorities on the inclusion of gold-related products in the mutual market access programme .

<p>* Use GBA as a pilot site to create a government-sponsored, user consortium-owned (similar to China UnionPay's shareholding structure) cross-border data exchange platform to facilitate cross-border data transfer and sharing (around participating banks providing the required data that is encrypted centrally).</p>	60(iv,v)	<p>promoting electronic trade financing – The HKMA is experimenting with tokenised electronic bills of lading through its Project Ensemble Sandbox. The goal is to lower fraud risks through the better use of technology and to facilitate the provision of trade financing by financial institutions. The HKMA will work with other jurisdictions on a pilot basis to develop mechanisms for trade information transmission, promoting cross-boundary data transfers and the digitalisation of international trade. It will also allow potential stablecoin issuers to test blockchain use cases, including solutions for cross-boundary payments through the stablecoin issuer sandbox; and enhancing financial services with data – The HKMA expects to connect its Commercial Data Interchange (CDI) with the system of the Land Registry next year to facilitate enhancement of banking services through the better use of data.</p>
<p>* Accelerate establishment of post-sales insurance service centre to facilitate HK players' fulfilment of commitments on premium services to Mainland policyholders.</p>	37	<p>Hong Kong has the highest concentration of insurance companies and the highest insurance density in Asia. To further strengthen Hong Kong's position as a global risk management centre, the Insurance Authority will initiate a review next year. We will examine capital requirements for infrastructure investment, enriching insurance companies' asset allocation for risk diversification and driving investment in infrastructure such as the Northern Metropolis. We will also continue to invite Mainland and overseas enterprises, including large state-owned enterprises in the Mainland, to establish captive insurers in Hong Kong.</p>
<p>* Easier access to the Mainland from HK</p>	63	<p>The validity period of multiple-entry visas for foreign staff of companies registered in Hong Kong, including non-permanent residents, will be extended to a maximum of five years to facilitate their visit to the Mainland, and their applications will enjoy priority processing.</p>
<p>International insurance centre</p>		
<p>* Foster collaboration between the Hong Kong and UK insurance sectors; dialogue between Hong Kong and the UK regulators, insurance industry bodies, and insurers</p>		
<p>* Further dialogue to discuss about incentives and investments in annual insurance sector flagship events in HK and London</p>		
<p>* Outline financial assistance packages for insurance groups to set up regional headquarters or establish new business lines in HK.</p>	37	<p>Hong Kong has the highest concentration of insurance companies and the highest insurance density in Asia. To further strengthen Hong Kong's position as a global risk management centre, the Insurance Authority will initiate a review next year. We will examine capital requirements for infrastructure investment, enriching insurance companies' asset allocation for risk diversification and driving investment in infrastructure such as the Northern Metropolis. We will also continue to invite Mainland and overseas enterprises, including large state-owned enterprises in the Mainland, to establish captive insurers in Hong Kong.</p>
<p>* Provide subsidies and other grants to insurance groups to establish new capabilities and new insurance jobs in Hong Kong</p>		
<p>* Establish one-stop supporting ecosystem for businesses to set up broking and underwriting units in HK including office rental/ business consulting/ talent recruitment</p>		
<p>* Create a platform branded as "Insure-HK" on industry promotion and deliver a onestop information portal of helpful insurance solutions</p>		
<p>* Promote public-private collaboration on infrastructure by removing the conservatism in the current Pillar 1 HK Risk Based Capital Framework (HKRBC) charge for infrastructure equity, permitting the use of Internal Ratings for infrastructure debt investments, and recognising the diversification benefits from infrastructure debt and equity.</p>		
<p>* Fast-track legal mechanisms and securing Bermuda concurrence for international insurers to re-domicile in HK as the initial implementation case for what is expected to be multi-sector, multi-jurisdictional legislation enabling HK redomiciliation.</p>	62	<p>The Government will step up efforts to bring in strategic enterprises from outside the city to set up headquarters or corporate divisions in Hong Kong. The FSTB will submit a bill this year to introduce a company re-domiciliation mechanism obviating the need for companies intending to re-domicile in Hong Kong to be wound up in its original domicile overseas and establish a new company in Hong Kong. The companies will be able to preserve their legal identity and business continuity, saving cost as a result of the simplified procedures.</p>
<p>* Providing incentives under HKRBC to invest in Green and Sustainable Finance ("GSF") instruments by introducing a further diversification benefit for GSF instruments (both debts and equities) against non-GSF instruments in quantification of capital risk charges (credit and equity) under HKRBC framework.</p>		
<p>International sustainable finance hub</p>		
<p>* Establish a mechanism with central and regional authorities for data exchange among local, regional and national carbon markets. China Certified Emissions Reductions (CCERs) is an opportunity for HK to connect Mainland's carbon markets with Core Climate and other international voluntary carbon markets.</p>		

* Review and develop Hong Kong's current Voluntary Carbon Market model to consider high-quality nature-based carbon credit projects, including blue carbon. Nature-Financial Risk Management guideline should be considered. HKMA's existing SPM-1 climate risk management module should be complemented with nature-related risks, leveraging more industry associations and partnerships with authorised institutions.	46	The HKMA will roll out the Sustainable Finance Action Agenda. In addition, the FSTB will launch a roadmap on the full adoption of the International Financial Reporting Standards – Sustainability Disclosure Standards (ISSB Standards) this year, leading Hong Kong to be among the first jurisdictions to align its local requirements with ISSB Standards.
* Publish an +5 years project pipeline with accreditation from HKQAA to attract expertise and investment into HK which can then be exported throughout region.		
3. A World-leading International Talent Hub		
Recruiting: Welcoming policies for talent		
* Maintain HK's image as a 'global' or 'international' business hub.	21(i)	To establish the Committee on Education, Technology and Talents , chaired by the Chief Secretary for Administration with the Secretary for Education, Secretary for Innovation, Technology and Industry, and Secretary for Labour and Welfare, as members, will co-ordinate and promote the integrated development of education, technology and talents. It will also expand connections, attract and cultivate talents, foster the development of technologies, and promote Hong Kong as an international hub for high-calibre talents;
* Targeted incentives to (I&T) organisations in operate in HK, e.g. Favourable land lease terms, low upfront initial costs, rental subsidies etc.	38(iii) 79(iii) 80	expanding the scope of tax concessions – The Government will consult the industry on the proposal to add qualifying transactions eligible for tax concessions for funds and single-family offices. maximising the impact of the HKIC as "patient capital" – The HKIC will continue to attract I&T enterprises to establish their presence and settle in Hong Kong by channelling and leveraging market capital. The Government will launch the I&T Accelerator Pilot Scheme with a funding allocation of \$180 million at a one-to-two matching ratio between the Government and the institution, up to a subsidy ceiling of \$30 million. The Scheme aims to attract professional start-up service providers with proven track records in and beyond Hong Kong to set up accelerator bases in Hong Kong, fostering the robust growth of start-ups.
* Enable more inclusive corporate working visa programme to support large corporates to hire foreign professionals.		
* More subsidised local language courses for recently landed talent could help to support talent retention strategies, i.e.continuing education institutions to provide Cantonese or Mandarin language courses.	114	The Government will allocate \$2 billion to set up the Teacher Professional Development Fund to support the long-term development of the teaching profession, and to enhance the training and exchange programmes for teachers. A provision of about \$470 million will be allocated to enhance the learning and teaching of English, Putonghua and other languages. We will also strengthen support for students with special educational needs and continue to provide subsidies such as textbook assistance for students with financial needs.
* Work with businesses to foster joint initiatives that enhance English language proficiency within HK's education system, i.e. work with international school and university sectors alongside multinational businesses to devise new models for integrating real world skills, overseas study opportunities, and global exposure into local and private, and international schools.	107	The HKTE will step up promotion of its online platforms to offer comprehensive information on salaries, taxation, education, visas and so on, in addition to providing personalised assistance. The HKTE will expand its network of collaborative partners and organise online and in-person job fairs with industries and employer organisations, so that employers can directly match jobs with talents. It will also organise another international talent forum and conduct overseas promotion.
* Further extend Continuous Education Fund programme (CEF) to non-permanent residents who guarantee to work in Hong Kong for a period of time post obtaining CEF recognised qualifications.		
* Tailor TTPS to cover additional/ missing skillsets by broadening the pool of universities (currently only graduates from a top 100 university can get a 24-month visa approved without an offer of employment).	106(i,ii)	In the next five years, there will be a projected shortage of around 180000 workers across different sectors. To build a quality talent pool for development, we will reform various aspects of the talent admission regime, including: updating the Talent List to include talents required for development of the "eight centres"; expanding the list of universities under the Top Talent Pass Scheme to 198 universities by adding 13 top Mainland and overseas universities, and extending the validity period of the first visa of high-income talents under the scheme from two years to three years; extending for two years the pilot arrangement of including graduates from the GBA campuses of Hong Kong universities under the Immigration Arrangements for Non-local Graduates.
* Run more frequent international graduate roadshows across a breadth of courses/ skillsets to attract right talent.	107	The HKTE will step up promotion of its online platforms to offer comprehensive information on salaries, taxation, education, visas and so on, in addition to providing personalised assistance. The HKTE will expand its network of collaborative partners and organise online and in-person job fairs with industries and employer organisations, so that employers can directly match jobs with talents. It will also organise another international talent forum and conduct overseas promotion.

<p>* Run bolder and wider promotion of the more streamlined setup process for foreign talent, e.g. opening bank accounts is much easier than in the UAE and there is no local director requirement like there is in Singapore.</p>	<p>106(iii) (iv)</p>	<p>enhancing the General Employment Policy and the Admission Scheme for Mainland Talents and Professionals, providing new channels to attract experienced specialists in specific skilled trades facing acute manpower shortage to come to Hong Kong. There will be a quota under the new arrangement; introducing a new mechanism under the Quality Migrant Admission Scheme, proactively inviting top-notch talents to come to our city for development, promoting Hong Kong as the focal point of international high-calibre talents;</p>
<p>* Tackle female underrepresentation in science, technology, engineering, and mathematics (STEM) : 1) Encouraging school and university grants for more females to specialise in STEM subjects at secondary school and higher education. 2) Incentivising women to take up STEM teaching positions and raising profile of women in STEM.</p>		
<p>Nurturing: Support career advancement</p>		
<p>* Facilitate collaboration between educational institutions and industry stakeholders for skill and career development.</p>	<p>72 107</p>	<p>The Hong Kong International Legal Talents Training Academy will be officially launched this year, cultivating legal talents to be familiar with international law, common law, civil law, national legal systems and other legal aspects. The dedicated office and expert committee under the Department of Justice (DoJ) are pressing ahead with the related work. The HKTE will expand its network of collaborative partners and organise online and in-person job fairs with industries and employer organisations, so that employers can directly match jobs with talents.</p>
<p>* Develop more specialised courses with evolving needs of the financial services sector, particularly in fast-growing areas (e.g. fintech, green finance, digital banking and wealth management), as well as internship and vocational placement programmes.</p>		
<p>* Expand scope of TechTAS include non-research and development work.</p>		
<p>* Introduce a pilot Industry-wide Management Trainee Programme to build local pool of talent via series of local and overseas training. Following the launch of this MT Programme, set up the College of Insurance to provide local insurance qualifications.</p>	<p>50(iii)</p>	<p>developing maritime services talents – We will strengthen collaboration with international marine insurance organisations to promote the training of marine insurance talents, and expand the scope of the Maritime and Aviation Training Fund to cover more green energy courses, marine insurance examinations, and others.</p>
<p>Educating: Building future talent</p>		
<p>* Review of operational autonomy of education sector (governing international and private education sector, with stated aim of granting HK's international and private schools support across Government departments to ease access to land allocations and licenses)</p>		
<p>Retaining: fixing problems of skill and interest mismatch</p>		
<p>* Enhance mutual recognition of professional qualifications and simplified visa processes between Hong Kong and the GBA to facilitate talent mobility and expand talent pool</p>	<p>119</p>	<p>We will continue to promote the Mainland and overseas exchange and internship programmes and enhance the GBA Youth Employment Scheme by relaxing eligibility requirements to allow young people aged 29 or below with sub-degree or higher qualifications to join the scheme, increasing the limit of monthly allowance granted to enterprises to \$12,000, and exploring reciprocal arrangements. The Youth Employment and Training Programme will be refined and its Chinese title renamed, with the upper age limit for participants raised to 29. Additional workplace attachment opportunities will be provided in the GBA under the programme.</p>
<p>* Subject to the Personal Data (Privacy) Ordinance, granting access to the database of candidates who have been issued work permits and are eligible to work in Hong Kong as part of the various government talent schemes to facilitate talent matching</p>	<p>107</p>	<p>The HKTE will step up promotion of its online platforms to offer comprehensive information on salaries, taxation, education, visas and so on, in addition to providing personalised assistance. The HKTE will expand its network of collaborative partners and organise online and in-person job fairs with industries and employer organisations, so that employers can directly match jobs with talents. It will also organise another international talent forum and conduct overseas promotion.</p>
<p>* Grant incentives such as tax deductions to employers to encourage them to invest in upskilling their workforce</p>		
<p>* Provide incentives to encourage the re-entry of stay-at-home parents e.g. grant tax deduction or government subsidies for hiring domestic helpers/ caretakers.</p>		
<p>* Tackle negative sentiment of Hong Kong and reassure people overseas that HK is safe to work, live in and travel to.</p>		
<p>* Promote social/ work culture that values DEI, establish HK as a thought leader in Asia in DEI: 1) Recognising same-sex marriage. 2) Recognising role of primary and secondary caregivers (e.g. baby adoption for same sex couples) 3) Making parental leave applicable for male and maternity leave upon child born / notice of pregnancy</p>		

<p>* Encourage good work-life balance (considering the capabilities of individual companies): 1) Increasing paternity leave / maternity leave. 2) Providing government funding for after school clubs or childcare services which would benefit families with low incomes or where both parents who work full time.</p>	<p>204 KPI(46)</p>	<p>To support working parents, I announced the setting up of 10 aided, standalone, child care centres last year. The Government will set up one more child care centre providing 100 additional places for day child care services. Service places under the Neighbourhood Support Child Care Project will be increased by 25%, to 2 500, with the estimated number of beneficiaries increasing to 25 000.</p> <p>Further increase the number of Aided Standalone Child care Centre service places for parents who cannot take care of their young children temporarily to about 2 000 by end-2027, an increase of 94% over 2022-23. (LWB)</p>
Reassuring Hong Kong's Future		
Boosting Economy		
	<p>125(iv) 128 21(iii) 124(v) 131</p>	<p>developing a host city economy in the sports industry – The Government will continue to support athletes to participate in different large-scale international competitions. We will make full use of the KTSP and other existing venues to host large-scale international competitions so that Hong Kong teams can compete on home soil, building their own audience. These will be conducive to the long-term development of the sports industry.</p> <p>The inter-departmental Task Force on KTSP, led by the Chief Secretary for Administration, will ramp up efforts in overseeing the smooth completion and commissioning of the KTSP and its publicity work, fostering the synergistic development of major sports events, innovative entertainment, dining, conventions and exhibitions, as well as tourism activities. The task force will also formulate thorough plans and conduct comprehensive drills on security deployment, crowd management, emergency response, and other areas.</p> <p>To set up <u>Working Group on Developing Tourist Hotspots</u>, led by the Deputy Chief Secretary for Administration, will strengthen cross-departmental co-ordination and leverage community efforts, identifying and developing tourist hotspots of high popularity and with strong appeal in various districts</p> <p>branding the WKCD as a must-visit landmark for cultural and creative tourism – Roll out more special experience activities, and step up worldwide promotion in collaboration with the Hong Kong Tourism Board (HKTB) to bring in more tourists.</p> <p>The Government will set up a Working Group on Developing Tourist Hotspots. Led by the Deputy Chief Secretary for Administration, it will strengthen cross departmental co-ordination and leverage community efforts, identifying and developing tourist hotspots of high popularity and with strong appeal in various districts.</p>
<p>Tourism & Retail Recovery</p> <ul style="list-style-type: none"> - Support Mega Events at Kai Tak Sports Park and utilize the government's event pipeline to attract visitors, engage with the business community for sponsorship opportunities and consider renting the space to schools or business organizations when not in use - Continue social media campaigns using platforms like RED "XiaoHongShu", TikTok, Instagram, Weibo etc., and involve overseas influencers to position Hong Kong as a unique, fun travel destination - Extend public transport hours during weekends (e.g. MTR, minibuses) to align with the "Night Vibes" initiative - Introduce ride-hailing services like DiDi and Uber onto the market and update taxi services to accept digital payment with feedback systems - Promote contactless credit payments across all public transport 	<p>129(iv-vi)</p>	<p>developing mega-event tourism economy – The Mega Events Coordination Group, led by the Deputy Financial Secretary, will continue to take a proactive role in attracting different mega events to Hong Kong with emphasis on quality and quantity, boosting the retail and hotel industries. We will drive the development of the site above the Exhibition Station in Wan Chai North, as well as the waterfront and pier sites in the vicinity of the Hung Hom Station, into new landmarks providing additional event venues</p> <p>strengthening the appeal of traditional tourism – The HKTB will draw up a gourmet guide covering the 18 districts, organise gastronomic events, and promote gourmet food in different districts. The CSTB will publish the action plan on the development of cruise tourism, alongside the Blueprint 2.0, to enhance the Kai Tak Cruise Terminal's role as a homeport and a venue for conventions, exhibitions and other events;</p> <p>promoting smart tourism and enhancing service quality of the tourism industry – The HKTB will strengthen its efforts in developing and promoting tourism products with Hong Kong characteristics to both locals and visitors, making use of technologies such as AI to provide one-stop assistance and attraction recommendations. We will also launch a new outstanding services award scheme to consolidate our hospitable culture.</p>

	129(i,iii)	<p>We will develop Hong Kong into a premier tourism destination through innovative thinking and making better use of our rich and unique resources such as the Victoria Harbour, outlying islands, rural areas, cultures, cuisines, lifestyles and historic buildings. These elements, combined with our edges in technology, animation and comics, the performing arts, film and television culture, and more, will help to instill the concept of "tourism is everywhere in Hong Kong". The CSTB will publish the Development Blueprint for Hong Kong's Tourism Industry 2.0 (Blueprint 2.0) later this year, with the focus on promoting culture, sports, ecology and mega events, covering such areas as: developing eco-tourism – We will explore more itineraries with characteristics related to the countryside and coastal routes, such as island-hopping tours in Yan Chau Tong, and enhance related amenities; expedite the development of the South Lantau Eco-recreation Corridor; develop the ex-Lamma Quarry site into an area for resort and outdoor recreational uses; and develop Tsim Bei Tsui and Pak Nai into eco-tourism nodes; developing tourism products with characteristics – We will promote yacht tourism in the expansion area of Aberdeen Typhoon Shelter, the ex-Lamma Quarry area and the development of the waterfront site in the vicinity of the Hung Hom Station. We will also promote panda tourism, horse racing tourism, and the like. The CSTB will promote cultural and eco-tourism itineraries and products at Sha Tau Kok. The Security Bureau (SB) will increase the daily visitor quota under the Sha Tau Kok opening-up plan to 3 000 by the end of this year. Facial recognition technology will be adopted to enable people living or working at Chung Ying Street to enter and leave the street unimpeded via a "contactless" mode on a pilot basis. The SB will explore the application of relevant technology to complement the future opening up of Chung Ying Street for tourism;</p>
<p>Safeguard Local Spending and Business Interest</p> <ul style="list-style-type: none"> - Control retail rents by collaborating with property developers to stabilize rents for retail and hospitality businesses, possibly recognizing landlords who offer affordable rents - Provide grants to retail and F&B businesses to prevent closures, while consulting the industry to ensure effective fund allocation - Offer incentives (e.g. free/discounted tickets) for tourists who meet spending thresholds at local business 	129(ii)	<p>developing visitor sources from the Middle East and ASEAN – We will actively encourage various sectors of the community to enhance tourism-support measures for creating a friendly environment for visitors. They include providing information at the airport in Arabic and encouraging taxi fleets to provide fleet service information in Arabic; compiling a list of restaurants offering halal food; encouraging more commercial establishments to provide appropriate facilities, such as worship facilities in hotels; and stepping up staff training to strengthen their knowledge on receiving visitors from different cultural backgrounds;</p>
<p>Support for SMEs</p> <ul style="list-style-type: none"> - Support the continuation of the SME Financing Guarantee Scheme - Offer financial support for SMEs in the retail and tourism industries to automate operations (e.g. adopting e-payment services) 		
<p>Better Quality of Life</p>		
<p>Healthcare</p>		
<p>Public Healthcare</p> <ul style="list-style-type: none"> - Amend the HA Charter to monetize healthcare data and technology assets (e.g. clinic management systems), enable quicker access for private sector (e.g. pharmaceutical companies) R&D and enhance the HA budget - Explore creative financing solutions that engage the private sector and incentivize risk-sharing for desired outcomes - Encourage insurance adoption, particularly VHIS policies, to cover diseases and address the financial risks associated with unforeseen complications, and consider to an extension of insurance policies for chronic diseases (e.g. cancer management) - Strengthen the collaboration between the Mainland and Hong Kong for the import and export of bio-simples (e.g. blood materials) - <u>Address overburdened HA system challenges</u> <ul style="list-style-type: none"> - Develop innovative financing solutions; expend outsourced with effective risk-sharing; remove incentives that the direct patients to the public sector for care; undertake aggressive purchasing strategies for healthcare services; abolish mandatory retirement to retain experienced staff to stay longer in the public sector 		<p>95. The Government will enhance Hong Kong's clinical trial capability on all fronts and facilitate the translation of innovative biomedical research results into clinical applications by: joining hands with Shenzhen to establish the GBA Clinical Trial Collaboration Platform, extending the R&D network and expediting clinical trials; establishing the Real-World Study and Application Centre to open up local health and medical databases and promote co-operation between Hong Kong and Shenzhen to integrate data generated from the "special measure of using Hong Kong-registered drugs and medical devices used in Hong Kong public hospitals in GBA". This will accelerate approval for registration of new drugs in Hong Kong, the Mainland and overseas; and supporting R&D, clinical trials and application of advanced biomedical technology in Hong Kong, attracting global top-notch innovative enterprises and research organisations to set up operations in Hong Kong.</p>
<p>Private Sector</p> <ul style="list-style-type: none"> - Increase tax incentives for individuals purchasing life and illness insurance products - Deducted health insurance costs outside of the VHIS from taxable income, especially for those who undergo disease screening - Improve coverage on diseases screening - Introduce a co-payment system for public healthcare services, and collaborate with insurers on co-payment for "Hospital Cash" benefits to prevent the HA from being used as a free risk-management tool 		

<p>General Health</p> <ul style="list-style-type: none"> - Develop user-friendly educational materials (e.g. brochures, videos and infographics) - Increase funding for health screening - Reduce medical advertising restrictions to enable private clinics to promote screening packages - Leverage social media and influencers to communicate health messages with younger generations - Update the patient protection system to ease generic registration and commercialization, while incentivizing R&D investment - Streamline approval and reimbursement processes by establishing special categories for "orphan drugs" and "end-of-life" treatments - Establish a rare disease database such as cancer registry, including a dedicated website for data access and updates 	94	<p>The Government will expedite the reform of the approval mechanism for drugs and medical devices, including: extending the "1+" mechanism to all new drugs, including vaccines and advanced therapy products, and improving the approval mechanism to speed up registration, facilitating good drugs for use in Hong Kong; devising the timetable for the Hong Kong Centre for Medical Products Regulation and the roadmap towards adoption of "primary evaluation", as well as formulating strategies and measures to facilitate R&D of drugs and medical devices; and taking forward preparatory work for legislating for the statutory regulation of medical devices.</p>
<p>Mental Health</p> <ul style="list-style-type: none"> - Provide tax incentives for employers offering mental health insurance coverage - Increase funding and resources for common mental health conditions - Work with local NGOs to increase awareness of mental health issues - <u>Workforce Development</u> - Improve regulation and recognition of mental healthcare support workers - Offer same benefits for family practitioners as general practitioners to encourage recruitment - Introduce law to govern the licensing of clinical psychologists - Work the insurance providers to enhance mental health coverage - Create a workforce plan for recruiting, training and retaining psychiatrists and psychologists, including those trained overseas - Attract foreign mental health professionals by establishing a special category under the Top Talent Pass Scheme 	KPI(63,64)	<p>Extend and enhance the Three-Tier School-based Emergency Mechanism until end-December of 2025. (EDB, LWB, HHB) For schools: •Atleast600 publicly-funded primary and secondary schools to join the 4Rs Mental Health Charter in the 2024/25 school year; •LaunchtheMentalHealthLiteracyresourcepackagesforseniorsecondary andlower primary levels in the 2024/25 school year; •Organiseabout20 additional thematic teacher training sessions in the 2024/25 school year to strengthen teachers' capacity in early identification and support for students with mental health needs; and •Organisethematicparenteducationprogrammesanddistrict-basedfilm galapresentation in the 2024/25 school year to promote positive parent education and enhance parents' awareness of children's mental health. (EDB)</p>
<p>Housing and Development</p>		
<p>Housing</p> <ul style="list-style-type: none"> - Collaborate with the private sector for long-term affordable housing solutions and integrate affordable housing obligations into residential land development tenders to promote social mobility - Review the Long-Term Housing Strategy regarding the supply ratio of public retail and subsidized housing, potentially involving studies by the Housing Bureau or consultancy firms - Tailor Housing Options to different demographics (e.g. young talent and the elderly). More details can be found in the Annex under the "Housing and Development" section 	<p>101</p> <p>115</p> <p>116</p>	<p>The Hong Kong Housing Authority (HKHA) has selected 10 Public Rental Housing (PRH) estates as pilot sites for smart estate management. Next year, it will establish a central platform for property management and introduce digital technologies in daily estate management work, enhancing management effectiveness and service quality. The HKHA will also progressively apply the Project Information Management and Analytics Platform in new public housing projects starting next year, enhancing works efficiency by project management digitalisation and adopting three-dimensional digital maps and virtual digital models, etc.</p> <p>Expedite Youth Hostel Projects: In response to our young people's aspirations to have their own living space, the Government launched the Youth Hostel Scheme and expanded it two years ago by subsidising non-governmental organisations (NGOs) to rent suitable hotels and guesthouses for use as youth hostels. We have also set up a task force to offer targeted support and technical advice, including providing relevant NGOs with assistance in negotiating with hotel owners to expedite agreements. The number of hostel places has now increased to about 3 000.</p> <p>Support Young People to Purchase Subsidised Sale Flats: The HKHA will allocate an extra ballot number to young family applicants and one-person applicants aged below 40 with White Form status for the purchase of Home Ownership Scheme (HOS) flats from the next HOS sale exercise onwards. Starting from the next White Form Secondary Market Scheme (WSM) exercise, the WSM quota will increase by 1 500, all of which will be allocated to young family applicants and one-person applicants aged below 40.</p>

<p>Development</p> <ul style="list-style-type: none"> - Streamline approval processes by establishing a "Fast-Track Approval Process" task force, which may require multi-departmental integration and collaboration to expedite approvals (e.g. TP, BD, LD, HADLA, FSD and others) - Expand the Standard Rate Land Premium system to encompass more sites across Hong Kong - Identify specific priority projects for Public-Private Partnerships (PPPs) with clear benefits, incentives, timelines and returns - Implement a flexible zoning approach to stimulate a mix of residential and commercial elements - Clarify the phasing of the Northern Metropolis to attract investment, including land pricing, flexible zoning, and talent accessibility - Centralize infrastructure procurement and ensure alignment with net zero and ESG priorities - Diversify funding models for infrastructure beyond bonds and PPPs, focusing on blended finance solutions and availability payment-based PPPs to attract private investment 	<p>169</p> <p>175</p> <p>139</p>	<p>According to the Long Term Housing Strategy, the supply target for private housing in the coming decade is projected to be 132 000 units. The Government will make available land over the next five years to provide about 80 000 private housing units.</p> <p>The Government remains determined to sustain efforts in land production. We will assess the situation and take forward various projects in a steady and paced manner. According to the latest forecast, the supply of developable land, i.e. spade ready sites, from Government led projects will reach about 3 000 hectares in the next decade. The Government will take into account the latest market changes when disposing land, ensuring a stable and healthy development of the market.</p> <p>The Northern Metropolis will gradually enter the maturity phase. In the next five years, some 60 000 housing units involving about 10 new PRH estates will be completed and ready for intake. The first batch of land at the San Tin Technopole will be put to the market, and the new Huanggang Port building with co location of immigration and customs clearance arrangement will be completed. In the second five year period, the number of new housing units will increase by about 150 000, with over 10 million square metres of gross floor area available for economic uses. The first joint user government building in Kwu Tung North will be put to use, and the expanded North District Hospital will be ready for service. As for transport infrastructure, construction of the Northern Link (NOL) Main Line is scheduled for completion in 2034, and the Northern Metropolis Highway (San Tin Section) is set to open in 2036. These developments will significantly boost our economic growth and bolster our R&D and technology industries, while providing a better living environment which will help attract talents and encourage them to settle in Hong Kong for good. It will also enhance the quality of life of the people of Hong Kong, improving their livelihood and well being.</p>
<p>Sustainability / Net Zero Agenda</p>		
<p>Detailed policy measures can be found in the Annex under the "Sustainability / Net Zero Agenda" section, with key focus areas including</p> <ul style="list-style-type: none"> - Low carbon building materials - Retrofitting older buildings - Policies for decarbonizing scope 3 emissions - Sustainable transport solutions (aviation, maritime and bus) - Biodiversity initiatives - Waste and food waste management - Transitioning to low global warming potential Hydrofluorocarbons (HFCs) 	<p>46</p>	<p>The HKMA will roll out the Sustainable Finance Action Agenda. In addition, the FSTB will launch a roadmap on the full adoption of the International Financial Reporting Standards – Sustainability Disclosure Standards (ISSB Standards) this year, leading Hong Kong to be among the first jurisdictions to align its local requirements with ISSB Standards.</p>
Annex		
Constitutional and Mainland Affairs Bureau / Innovation, Technology and Industry Bureau / Office of the Privacy Commissioner		
Data and Technology		
<p>Exemption for Hong Kong-registered enterprises from data export requirements, except for certain important data relating to national security</p>	<p>96</p> <p>144</p> <p>153</p>	<p>A robust system to promote integration of real economy and digital economy is one of the key drivers of new quality productive forces. The Government will expedite the development of digital economy, which includes accelerating the digital transformation of industries, strengthening digital infrastructure, exploring development of a data trading ecosystem, and exploring on a pilot basis facilitation arrangements for cross boundary data flow within the GBA.</p> <p>I have established the Steering Committee on the Hong Kong Shenzhen I&T Park in the Loop, chaired by myself, to lead the HKSAR Government to formulate the overall strategy, planning and layout for the development of the Hong Kong Park. The Development Outline for the Hong Kong Park of the Hetao Shenzhen Hong Kong Science and Technology Innovation Co operation Zone will be published later this year, setting out innovative policies to facilitate the flow of personnel, materials, capital and data between the two parks, making the co-operation zone a crucial source of new quality productive forces for our country.</p> <p>The Standard Contract for the Cross boundary Flow of Personal Information Within the GBA (Mainland, Hong Kong), piloted in the banking, credit referencing and healthcare sectors since last year, has been operating smoothly, streamlining cross boundary data flow in compliance with relevant rules. We will extend the measure to all sectors, promoting more cross boundary services to benefit the public and businesses while facilitating data flow throughout the GBA.</p>

<p>Enhance the "Ethics framework" governing AI technology in HK to promote AI innovation</p> <ul style="list-style-type: none"> - Address the global ambiguity surrounding the "ethical and responsible use of AI and data" will lead Hong Kong to become a potential research hub for AI practices 	<p>88-90</p>	<p>The Government will strengthen protection for the products of innovation and creativity yielded by R&D efforts. Measures include putting forward a proposal next year to enhance the Copyright Ordinance regarding the protection for AI technology development, launching a consultation in 2025 on the registered designs regime currently under review, and proposing legislative amendments to streamline IP litigation processes for the High Court to manage and hear these cases more effectively.</p> <p>Next year, the Trade Marks Registry under the Intellectual Property Department (IPD) will launch a new AI assisted image search service to facilitate the public's search of the trademark database.</p> <p>With the Central Government's support, Hong Kong will participate in the World Intellectual Property Organization Lex Judgments Database next year, sharing important IP case precedents of local courts, to showcase to the international community the quality of our IP related judicial judgments.</p>
<p>Raise cybersecurity to international standards for critical infrastructure</p> <ul style="list-style-type: none"> - Hong Kong does not have the cybersecurity law to impose essential requirements for critical infrastructure and this practice will help position Hong Kong as a reliable financial and data hub 	<p>28</p>	<p>The Government will require critical infrastructure operators to undertake obligations to protect their computer systems, so as to reinforce their resilience against cybersecurity challenges. A bill will be introduced later this year.</p>
<p>Environment and Ecology Bureau / Agriculture, Fisheries and Conservation Department / Environmental Protection Department</p>		
<p>Sustainability / Net Zero Agenda</p>		
<p>Net Zero Transition in the Real Estate Sector</p> <ul style="list-style-type: none"> - <u>Drive to use low carbon building material</u> - Utilize low carbon steel and cement in public construction projects to reduce embodied carbon and stimulate market demand - Implement clear public procurement specifications to mandate the use of low carbon materials, leveraging the Government's purchasing power to foster a green construction market - Leverage global and local initiatives to guide private real estate sector on best practices, e.g. resources from the World Green Building Council, HK Green Building Council and CIC Decarbonization Roadmap - Incentivize supply chain decarbonization by requiring a more systematic and holistic approach to public works contract clauses, referencing the UK Chancery Lane Project - <u>Retrofit existing buildings and decarbonize electricity supply</u> - Expand regulations on energy efficiency standards - Implement more frequent energy audits for buildings - Publish energy audit data from Civil Engineering and Development Department (CEDD) - Establish a building energy efficiency rating scheme similar to UK - Encourage sustainable revitalization and increase mortgage-ability of Hong Kong's aging building stock <ul style="list-style-type: none"> - Incentivize private developers and investors to sustainably revitalize old buildings - Award a "green reset date" for older buildings meeting certain standards - Revise HKMA guidelines and provide insurance support to banks to expand lending options for older properties 	<p>176(ii)</p>	<p>Reducing construction costs – We will strengthen the role of the Project Strategy and Governance Office under the DEVB to complete a strategic study on construction costs by the end of this year and propose improvement measures such as increasing direct procurement of construction materials and products by the Government, reviewing the building design standards, and facilitating local application of cost effective construction materials and technologies from the Mainland and overseas</p> <p>Consult the LegCo Panel on Environmental Affairs by end 2024 on the proposal of amending the Buildings Energy Efficiency Ordinance, including extending the scope of regulation to more types of buildings, mandating the disclosure of information in energy audit reports, and shortening the interval of energy audit.</p>
<p>Policy development towards decarbonization of scope 3 emissions</p> <ul style="list-style-type: none"> - Include scope 3 emissions into the city's strategy for decarbonization - Review existing and planned infrastructure assets to define their role in achieving net zero commitments 	<p>86(iii)</p>	<p>Promoting green and low carbon hydrogen energy – We will actively support the industry to establish a solar-to-hydrogen facility for demonstration, introduce a bill next year to ensure the safe use of hydrogen fuel, and formulate the approach of hydrogen standard certification suitable to Hong Kong</p>
<p>Transport</p> <ul style="list-style-type: none"> - Set reduction targets and develop a strategy using data from the International Civil Aviation Organization (ICAO) and International Maritime Organization (IMO) - Government-led development of a net zero transition plan for aviation and shipping sectors <ul style="list-style-type: none"> - <u>For Aviation:</u> <ul style="list-style-type: none"> - Support R&D for sustainable aviation fuel (SAF) through innovation funds, early-stage financing, knowledge hub, etc. - De-risk SAF production by establishing contract-for-difference schemes to reduce price gap, a government-backed price floor, and provide grants, loan, and tax incentives for first-of-a-kind SAF plants - Scale-up SAF production by offering capital grants and low-interest loans to support SAF facilities and stabilize feedstock prices - Provide tax exemptions for SAF, invest in waste collection infrastructure, and establish SAF mandates similar to Singapore and EU to stimulate feedstock production 	<p>85</p>	<p>The Government will earmark around \$750 million under the New Energy Transport Fund to subsidise the taxi trade and franchised bus companies to purchase electric vehicles, and launch the Subsidy Scheme for Trials of Hydrogen Fuel Cell Electric Heavy Vehicles. We will further promote the development of new energy by: (i) setting a target for sustainable aviation fuel (SAF) consumption – We will speed up the reduction of carbon emissions by the aviation industry and cater to the increasing demand of international airlines for SAF; (ii) developing SAF and green maritime fuel supply chains – We will formulate the long-term plan for industry development in respect of fuel supply and demand, storage and bunkering; and (iii) promoting green and low carbon hydrogen energy – We will actively support the industry to establish a solar-to-hydrogen facility for demonstration, introduce a bill next year to ensure the safe use of hydrogen fuel, and formulate the approach of hydrogen standard certification suitable to Hong Kong.</p>

<ul style="list-style-type: none"> - For Maritime - Financial support for Hong Kong-flagged vessels using dual-fuel technology - Policy support to leverage Hong Kong's LNG storage and regasification unit for cleaner marine bunkering services - Offer electric plug-in power for vessels when at berth 	<p>32</p> <p>51(i-iii)</p>	<p>Green shipping and aviation is a global trend. The Government will nurture industrial development of sustainable aviation fuel and green maritime fuel, and establish a fuel bunkering centre, leveraging the development opportunities in finance, trading and maritime sectors stemming from new energy.</p> <p>promoting the green transformation of registered ships – The Marine Department earlier this year began offering cash incentives to ships meeting relevant international standards on decarbonisation, and it will step up promotion of this initiative;</p> <p>developing a green maritime fuel bunkering centre – We will promulgate the Action Plan on Green Maritime Fuel Bunkering by the end of this year. We will take forward the related infrastructural development such as green maritime fuel bunker terminals, promote port emissions reduction, offer incentives to encourage green maritime fuel usage, co-operate with ports in the GBA, and construct a green shipping corridor with major trading partners; and</p> <p>offering green fuel bunkering facilities – We will provide green ships with smart information concerning navigational safety, and enhance the ship monitoring systems to ensure safety during fuel bunkering.</p>
<p>Biodiversity</p> <ul style="list-style-type: none"> - Establish a baseline for the city's biodiversity impact using frameworks like the IUCN's Urban Nature Index to monitor progress and set improvement targets - Increase marine protected areas (MPAs) to achieve 30% coverage by 2030, targeting biodiversity hotspots and expanding no-take zones - Revise the Wild Animal Protection Ordinance (WAPO, Cap170) to cover all relevant species and increase penalties for offences - Strengthen the Environmental Protection Department's (EPD) enforcement capacity to regulate and enforce wildlife-related legislation, addressing the scale of illegal trade - Utilize technology such as stable isotope analysis and machine learning to detect criminal activities and streamline cargo processing for suspected shipments 	<p>137</p>	<p>The Government will continue to take forward the Blueprint for the Sustainable Development of Agriculture and Fisheries. Relevant work includes developing deep sea mariculture at Wong Chuk Kok Hoi and Mirs Bay new fish culture zones, conducting preparatory work for the Agricultural Park Phase 2 development, implementing urban farming strategy in NDAs, facilitating the livestock sector to construct modernised and environmental friendly multi storey livestock farms and promoting leisure farming and fisheries.</p>
<p>Waste</p> <ul style="list-style-type: none"> - Address the low understanding of recycling processes in Hong Kong by educating the public and incorporating the education into schools 	<p>214-215</p>	<p>The Government will continue to promote waste reduction and recycling. Initiatives include reinforcing publicity and education on waste reduction and recycling in the community and schools; expanding the community recycling network by increasing public collection points from about 500 at present to 800; optimising service hours of the GREEN@COMMUNITY recycling facilities to provide better service; setting up self service recycling stores or smart recycling facilities in PRH estates; doubling the number of residential food waste collection facilities across the city; as well as reviewing the tender arrangements and requirements for GREEN@COMMUNITY facilities to enhance cost effectiveness and improve service quality. I-PARK 1, the first waste to energy facility for treating municipal solid waste, is expected to begin operation next year. We will also take forward the construction of I-PARK 2, working towards the goal of "zero landfill". The Government will continue to assess public views on, and participation in, waste reduction, and report to the LegCo by mid 2025.</p> <p>Continue to Promote Waste Reduction and Recycling: The Government will establish a common legislative framework for the producer responsibility schemes applicable to different products, facilitating the future inclusion of such products as plastic beverage containers and beverage cartons progressively, expanding our waste-to-resources capacities.</p>
<p>Food</p> <ul style="list-style-type: none"> - Government to work with NGOs (e.g. FeedingHK) to strengthen food banks and reduce food waste - Suggest tax deduction for in-kind food donations, including coverage for transport, storage, and refrigeration costs, and a specific tax deduction for donated food 	<p>214</p>	<p>The Government will continue to promote waste reduction and recycling. Initiatives include reinforcing publicity and education on waste reduction and recycling in the community and schools; expanding the community recycling network by increasing public collection points from about 500 at present to 800; optimising service hours of the GREEN@COMMUNITY recycling facilities to provide better service; setting up self service recycling stores or smart recycling facilities in PRH estates; doubling the number of residential food waste collection facilities across the city; as well as reviewing the tender arrangements and requirements for GREEN@COMMUNITY facilities to enhance cost effectiveness and improve service quality. I-PARK 1, the first waste to energy facility for treating municipal solid waste, is expected to begin operation next year. We will also take forward the construction of I-PARK 2, working towards the goal of "zero landfill". The Government will continue to assess public views on, and participation in, waste reduction, and report to the LegCo by mid 2025.</p>

<p>Transition to Low global warming potential (GWP) Hydrofluorocarbons (HFCs) - Initiate an awareness campaign at the earliest opportunity on requirement relating to Kigali Amendment, inform the market of upcoming change and support the availability of GWP HFC equipment</p>		
<p>Housing Bureau / Development Bureau / Buildings Department / Civil Engineering and Development Department / Land Department / Planning Department</p>		
<p>Housing and Development</p>		
<p>Affordable Housing - Provide affordable housing options for young talent by Implementing measures such as lower rates for first-time mortgages; tax deduction for domestic rent and first-time buyers; saving incentives for first-time buyers and financial incentives for developers; new tax deduction scheme for home deposits similar to the current annuity premium tax deduction; consideration of a 90% loan-to-value ratio for borrowers with lender mortgage insurance; subsidized housing programs; other alternative affordable housing solutions (e.g. co-living and student accommodation)</p>	<p>180(iii)</p> <p>115</p> <p>166</p> <p>170</p> <p>194(ii)</p>	<p>We will launch a pilot scheme to streamline the processing of application in relation to planning, lands and building plans, so as to encourage the market to convert hotels and other commercial buildings into student hostels on a self financing and privately funded basis, increasing the supply of student hostels. The Government will also make available suitable sites for the private sector to build new hostels, having regard to market demand. The Development Projects Facilitation Office under the Development Bureau (DEVB) will provide one stop advisory and facilitation services for these projects.</p> <p>In response to our young people's aspirations to have their own living space, the Government launched the Youth Hostel Scheme and expanded it two years ago by subsidising non governmental organisations (NGOs) to rent suitable hotels and guesthouses for use as youth hostels. We have also set up a task force to offer targeted support and technical advice, including providing relevant NGOs with assistance in negotiating with hotel owners to expedite agreements. The number of hostel places has now increased to about 3 000.</p> <p>The HKHA will further enhance the housing ladder in addressing the aspiration of the public for home ownership, including: (i) adjusting the ratio between PRH (including Green Form Subsidised Home Ownership Scheme (GSH) units) and subsidised sale flats (SSF) – The HKHA is reviewing public housing projects to be completed in the middle or near the end of the next decade, with an aim to gradually adjust the ratio between PRH and SSF from the current 7:3 to 6:4; (ii) increasing the chance of applicants who have made repeated attempts to purchase SSF – Starting from the next GSH and HOS sale exercises, an extra ballot number will be allocated to applicants who failed to purchase a SSF in the last two consecutive sale exercises of the same type of SSF; and (iii) expediting the circulation of PRH units – The HKHA will tighten up the Well off Tenants Policies by raising the additional rent and lowering the income limits for well off tenants, so that public resources are appropriately allocated to applicants in need. Meanwhile, the ratio between Green Form and White Form in respect of HOS flats will be revised from 4:6 to 5:5 to encourage more PRH tenants to buy HOS flats.</p> <p>Taking into account the latest economic and financial environment and on the basis that the stability of the banking system is maintained, the HKMA will adjust the maximum loan to value ratio for residential properties to 70%, regardless of the value of the properties, whether the properties are for self use or held by companies, and whether the purchasers are first time home buyers, while the maximum debt servicing ratio will be adjusted to 50%. For non residential properties, the maximum loan to value ratio and maximum debt servicing ratio will be adjusted to the respective same levels.</p> <p>extending the Pilot Programme on Community Living Room (CLR) – We will set up three additional CLRs next year in areas clustered with SDUs. They are expected to benefit about 1 300 target households, serving about 200 000 attendances a year. Including the four CLRs already launched, they are expected to serve about 3 050 SDU households, drawing about 470 000 attendances a year;</p>

<p>Senior Housing</p> <ul style="list-style-type: none"> - Increase land supply for senior living schemes and communities, and offer incentives like tax breaks, land premium waivers/discounts, bonus GFA, licensing/ zoning flexibility - Implement Universal Design Principles to enhance accessibility for the elderly and encourage multi-generational living in projects 	<p>194-198</p>	<p>subsidising elderly recipients of the Comprehensive Social Security Assistance (CSSA) to reside in residential care homes for the elderly (RCHes) in the Guangdong Province – We will launch a three year pilot scheme next year to subsidise elderly CSSA recipients retiring in Guangdong to reside in designated RCHes in the Guangdong Province. Each eligible elderly person will receive a monthly subsidy of \$5,000, subject to a quota of 1000. The Government attaches great importance to caring for the elderly in need and has been constantly strengthening elderly services. The total number of vouchers under the Residential Care Service Voucher Scheme for the Elderly will be increased by 20% to 6 000, allowing more frail elderly persons to be admitted to RCHes of their choice and receive subsidised care services without waiting. We will enhance the Residential Care Services Scheme in Guangdong to provide more choices and support for elderly persons who opt to stay in RCHes in the province. Relevant measures include: (i) increasing the number of participating RCHes from the existing 4 to 11 in November 2024; (ii) sharing part of the elderly participants’ medical expenses in Guangdong; and (iii) engaging organisations to provide care services for participating elderly persons to help them adapt to living in Guangdong. We are providing, through the Special Scheme to Import Care Workers for RCHs, additional manpower support for local residential care homes (RCHs) and enhancing their staff quality. We are also conducting a holistic review of the skill and qualification requirements of RCH staff providing health and rehabilitation services, including the creation of promotion ranks for incumbent health workers and the relaxation of the academic qualification for the Certificate in Progression Training for Care Workers programme. The review is expected to be completed by the end of this year. The Government is also discussing with the banking sector possible ways to enable Hong Kong elderly persons retiring in Guangdong and Fujian Provinces to receive portable cash assistance from the Government more conveniently through banks.</p>
<p>Constitutional and Mainland Affairs Bureau (CMAB) / Social Welfare Department / Home and Youth Affairs Bureau / Labor and Welfare Bureau / Working Family and Student Financial Assistance Agency</p>		
<p>Social Welfare</p>		
<p>Leave policies</p> <ul style="list-style-type: none"> - Increase paternity leave from 5 days to 6 weeks - Extend maternity leave from 14 weeks to 20 weeks - Introduce shared Parental Leave, allowing both parents to take leave, enhancing flexibility and equal participation in early childcare 		
<p>Support for Families and Vulnerable Groups</p>	<p>204 206 207</p>	<p>To support working parents, I announced the setting up of 10 aided, standalone, child care centres last year. The Government will set up one more child care centre providing 100 additional places for day child care services. Service places under the Neighbourhood Support Child Care Project will be increased by 25%, to 2 500, with the estimated number of beneficiaries increasing to 25 000.</p> <p>To help ethnic minorities (EMs) better integrate into the community, I announced the setting up of two additional support service centres for EMs last year, which will begin operation by the end of this year. The Government will engage one more support service centre to provide interpretation and translation services for EMs next year, reducing language barrier concerns. The EDB will strengthen Chinese learning support and parental assistance for non Chinese speaking (NCS) students (including EM students), providing after school Chinese language courses, enhancing the Online Chinese Language Self learning Resources and organising cross school, teacher learning communities. The EDB will also provide parental education activities for the parents of NCS children.</p> <p>Care Teams are the Government’s key service teams under the improved district governance structure. Fully launched across the city last year, all 452 Care Teams have been working diligently and providing a wide range of caring and support services for the community. To date, they have visited about 230 000 elderly households and other households in need, and provided over 22 000 counts of simple household care or other support services. Their service have been well received by the public. The Government will regularise the funding provision for Care Teams and increase funding by 50% in the next term of service in support of their work.</p>

<p>Support for Families and Vulnerable Groups</p> <ul style="list-style-type: none"> - Affordable Childcare - Increase government funding for after-school clubs or childcare services - Foreign Domestic Helpers (FDHs) - Remove the requirement of employers and for FDHs to live in the same premises, allowing employers to rent separate accommodations to ensure privacy, distinct working hours and a better working environment for FDHs - Minorities and the Needy - Enhance collaboration between the Community Care Team and existing NGOs/NPOs to address root causes affecting minority communities (e.g. homelessness and refugees) 	<p>199-200</p>	<p>The Government is committed to supporting carers. In addition to providing carers' allowance, respite services, a one stop information gateway and the 24 hour Designated Hotline for Carer Support 182 183, we launched the District Services and Community Care Teams – Pilot Scheme on Supporting Elderly and Carers in Tsuen Wan and Southern District this March. Trained by the SWD, Care Teams of the two districts identify and reach out to households in need, and provide support to the elderly and carers who seek help from the Designated Hotline. The 63 scheme has achieved good results. In the past six months, the Care Teams visited 4 700 families and referred about 900 cases to social welfare organisations for follow up. Next year, we will extend the scheme to across the territory, supporting elderly persons and carers in all 18 districts.</p> <p>We will also explore the setting up of an inter disciplinary and inter organisation database. It will cover carers of elderly persons and carers of persons with disabilities (PWDs) and the use of identification tools designed by university teams for the detection of high risk cases and early intervention and support.</p>
	<p>201-202</p>	<p>Strengthen Support for Persons with Disabilities: We will further enhance the rehabilitation services for PWDs, including: (i) establishing 14 Integrated Community Rehabilitation Centres across the city with the provision of 1 280 additional service places, to support PWDs based on their individual needs and rehabilitation progress through an integrated, case management approach; (ii) creating 90 additional peer support posts to enhance peer assistance for PWDs and their carers; (iii) setting up an additional District Support Centre for PWDs in New Territories East; and (iv) providing about 1 040 additional places for day, residential and pre school rehabilitation services, and exploring the establishment of Special Child Care Centres on vacant kindergarten premises. To encourage and support PWDs to engage in employment, the Government will introduce the "Caring Employer" medal, commending employers who actively engage PWDs; promote the establishment of more social enterprises engaging PWDs; and enhance the services and training models of sheltered workshops and integrated vocational rehabilitation services centres, building a better vocational rehabilitation and training ladder for PWDs.</p>
<p>Flexible working</p> <ul style="list-style-type: none"> - Introduce flexible working legislation to allow employees statutory rights to request flexible working arrangements, which employers must fairly consider 	<p>212</p>	<p>The three year Re-employment Allowance Pilot Scheme was launched in July, with more than 20 000 participants to date. The Labour Department will continue the scheme and, through the Good Employer Charter 2024, encourage employers to adopt family friendly employment practices such as flexible work arrangements.</p>
<p>Others</p>		
<p>Covered in the Policy Address or within this year, suggested previously by the Chamber (e.g. Policy Address Submissions, Whitepapers and other submissions)</p>	<p>paragraph(s)</p>	
<p>1) we enacted a new legislation to enable an essentially automatic extension of land leases in an orderly manner for a term of 50 years to beyond 2047</p>	<p>6</p>	
<p>2) Set up The Working Group on Promoting Silver Economy, led by the Deputy Chief Secretary for Administration, will formulate measures to expedite the development of the silver industry in line with the daily needs of the elderly.</p>	<p>21(iv)</p>	
<p>3) Adopting AI - "The Digital Policy Office (DPO) will endeavour to fortify information systems of the Government and public organisations. The DPO will also spearhead the pilot use of a locally developed generative artificial intelligence (AI) document processing copilot application in government departments. About 20 digital government and smart city initiatives will also be launched this year, including using blockchain technology for issuing electronic certificates for designated civil service examinations and electronic licensing by the Fire Services Department, as well as the use of AI for handling public enquiries."</p>	<p>27</p>	
<p>4) We will continue to actively expand and deepen our overseas networks, including forging financial co-operation with the Middle East and the region of the Association of South East Asian Nations (ASEAN), organising more international financial mega events, and exploring further collaboration with Islamic markets in the area of finance.</p>	<p>39</p>	
<p>5) striving for more listing of enterprises in Hong Kong – We will leverage the advantages brought about by our mutual access with the Mainland's financial markets to attract international enterprises to list in Hong Kong. We will also encourage large-scale Mainland enterprises to list here, particularly aiming to have more prominent initial public offerings in the near term</p> <p>optimising vetting of listing applications – The Securities and Futures Commission (SFC) and the HKEX will announce specific measures for further optimising relevant procedures to provide greater certainty regarding the time required for vetting of listing applications; and</p> <p>boosting market efficiency – The SFC and the HKEX will boost market efficiency and lower transaction costs, including reviewing the arrangement for deposit of margin, and refining the requirements on placement of margin and collateral.</p>	<p>40(ii - iv)</p>	

<p>6) The existing Hong Kong Maritime and Port Board will be reconstituted into the "Hong Kong Maritime and Port Development Board", a high-level advisory body to assist the Government in formulating policies and long-term development strategies. To be chaired by a non-official member, with other members largely from the maritime sector, the new body will be underpinned by dedicated staff to undertake research and publicity work. Additional funding will be provided to enhance its research capabilities, strengthen its Mainland and overseas promotional work and step up manpower training, supporting the Government in policy implementation more effectively and promoting the sustainable development of Hong Kong's maritime industry.</p>	49
<p>7) Maritime: (i) enhancing and promoting tax concessions – To strengthen the local maritime ecosystem, we will step up promotion of existing tax concessionary measures for maritime services and enhance the preferential tax regime (including introducing new tax deduction arrangements for ship lessors pursuant to international tax rules); (ii) attracting maritime service enterprises to establish presence in Hong Kong – We will encourage leading or high-potential marine insurance business operators to establish presence in our city to broaden the range of marine insurance products; and (iii) developing maritime services talents – We will strengthen collaboration with international marine insurance organisations to promote the training of marine insurance talents, and expand the scope of the Maritime and Aviation Training Fund to cover more green energy courses, marine insurance examinations, and others.</p>	50(i-iii)
<p>8) Develop Smart Port and Conduct International Promotions: The Government will complete installation of a port community system next year. It will be equipped with functions such as shipment tracking, real-time transport information, electronic information and document retrieval, and port data analysis, enabling the flow and sharing of data among stakeholders in the maritime, port and logistics industries. The Government will also organise more major events with international maritime organisations and enterprises to showcase to the world Hong Kong's maritime strengths.</p>	54-55
<p>9) Expand High Value-Added Logistics Services: We are taking forward the Action Plan on Modern Logistics Development, and will release four quality logistics sites for industry to develop modern, high-end, multi-storey logistics facilities. The findings of the planning study on the development of modern logistics clusters in the Hung Shui Kiu/Ha Tsuen New Development Area (NDA) will be published next year. The Government will continue to strengthen co-operation in the logistics sector with the western part of Guangdong and other neighbouring areas, making good use of the Hong Kong-Zhuhai-Macao Bridge (HZMB) to expand the catchment area of our cargo services and facilitate more goods to go through Hong Kong.</p>	56
<p>10) enhancing financial services with data – The HKMA expects to connect its Commercial Data Interchange (CDI) with the system of the Land Registry next year to facilitate enhancement of banking services through the better use of data.</p>	60(v)
<p>11) CEPA Amendment Agreement II signed recently, further liberalisation measures have been introduced across several services sectors. In particular, the period requirement of substantive business operations in Hong Kong for three years has been removed in most services sectors. This will attract more Hong Kong start-ups, overseas enterprises, and talents from around the world to establish their presence in Hong Kong to tap the Mainland market.</p>	61(i)
<p>12) RCEP / FTA - reinforcing the interface of trade mechanisms – We will continue to seek early accession to the Regional Comprehensive Economic Partnership (RCEP). We are also in investment agreement negotiations with Bangladesh and Saudi Arabia, and plan to begin negotiations with Egypt and Peru. Our free trade agreement (FTA) negotiations with Peru have been concluded and we expect to sign the FTA this year. We will also expand the global network of our Economic and Trade Offices, focusing on establishing economic and trade ties with emerging markets. further exploring priority markets – We will continue to pay visits and lead business and professional services delegations to priority markets such as B&R countries. We will also organise the B&R Cross-professional Forum to promote Hong Kong's professional services.</p>	61(ii-iii)
<p>13) International Aviation Hub: The Government will step up efforts in expanding our aviation network by supporting the HKIA to explore new destinations and flights, particularly enhancing co-operation with civil aviation counterparts from B&R countries. In parallel, we will combine the strengths of our airport and Zhuhai Airport to improve the Fly-Via-Zhuhai-Hong Kong direct passenger service and jointly develop international air cargo business for greater synergy. Develop a World-Leading Airport City: The Government will plan with the AAHK for expanding the scale of the Airport City by more than double, building a new, world-leading landmark in the bay area among the Airport Island, the Hong Kong Port Island of the HZMB and Tung Chung East New Town. New projects will be developed to promote high-end commercial, tourist and leisure activities. These include creating an ecosystem for the arts industry, building the AsiaWorld-Expo Phase 2, developing a yacht bay with ancillary facilities, opening a food market for imported fresh food and providing more public spaces.</p>	68-69
<p>14) Step up promotion of mediation services: The International Organization for Mediation will have its headquarters set up in Hong Kong upon adoption and entry into force of the relevant international convention. The Government will enhance the system on local accreditation and disciplinary matters of the mediation profession to further strengthen our role as an international mediation centre. We will incorporate mediation clauses in government contracts and encourage private organisations to make reference to and adopt such clauses. We will also launch the Pilot Scheme on Community Mediation to offer more training opportunities for promoting mediation culture.</p>	73
<p>15) I&T development: The Government will launch a new round of Research Matching Grant Scheme totalling \$1.5 billion to attract more organisations to support research endeavours of institutions. We will increase investment and guide more market capital to invest in I&T industries, reflecting a revamped approach of Government in this. Relevant measures include: - setting up a \$10 billion I&T Industry-Oriented Fund – We will set up a fund-of-funds to channel more market capital to invest in specified emerging and future industries of strategic importance, including life and health technology, AI and robotics, semi-conductors and smart devices, advanced materials and new energy. The goal is to systematically build an I&T ecosystem; - optimising the Innovation and Technology Venture Fund – We will redeploy \$1.5 billion to set up funds jointly with the market, on a matching basis, investing in start-ups of strategic industries, to further enhance Hong Kong's start-up ecosystem.</p>	78-79

<p>16) Regional Intellectual Property Trading Centre: The Government will strengthen protection for the products of innovation and creativity yielded by R&D efforts. Measures include putting forward a proposal next year to enhance the Copyright Ordinance regarding the protection for AI technology development, launching a consultation in 2025 on the registered designs regime currently under review, and proposing legislative amendments to streamline IP litigation processes for the High Court to manage and hear these cases more effectively. Next year, the Trade Marks Registry under the Intellectual Property Department (IPD) will launch a new AI-assisted image search service to facilitate the public's search of the trademark database. With the Central Government's support, Hong Kong will participate in the World Intellectual Property Organization Lex-Judgments Database next year, sharing important IP case precedents of local courts, to showcase to the international community the quality of our IP-related judicial judgments.</p> <p>The Government will continue to discuss with the patent agent sector and stakeholders to plan for the introduction of regulatory arrangements for local patent agent services, covering qualification, registration, and other areas, aiming to nurture professional talents and enhance service quality. The IPD will collaborate with the Qualifications Framework Secretariat to develop practical teaching materials for deployment by training providers, benefitting personnel across 23 different industries.</p>	88-92
<p>17) enhancing the regulation of VA trading – The FSTB will complete the second round public consultation on the regulatory proposals for over-the-counter trading of VA and put forward a proposed licensing regime for VA custodian service providers; promoting real-world asset tokenisation and developing a digital money ecosystem – The HKMA is taking forward Project Ensemble, a financial market infrastructure project, to explore the application of real-world asset tokenisation and the use of digital money for interbank settlement, facilitating the development of the relevant asset trading. Separately, the HKMA also allows potential stablecoin issuers to test business plans and use-cases through the stablecoin issuer sandbox, and will work with the FSTB to introduce a bill on the regulation of fiat-referenced stablecoin issuers later this year; and</p>	99(ii,iii)
<p>18) Facilitate Cross-boundary E-commerce Logistics Services: To develop Hong Kong into a cross-boundary e-commerce logistics and distribution centre, the Government will review existing procedures to enhance the efficiency of cross-boundary goods' distribution, strengthening the competitiveness of our city.</p>	100
<p>19) Promote LawTech: The DoJ will set up the Advisory Group on Promoting the Development of LawTech to formulate policies and measures on LawTech and promote its application in relevant sectors.</p>	102
<p>20) Promote Development of an International Hub for Post-secondary Education: creating the "Study in Hong Kong" brand – We will strive to host international education conferences and exhibitions. We will also encourage local post-secondary institutions to enhance collaboration and exchange with their counterparts around the world in promoting the "Study in Hong Kong" brand on a global scale, and to attract more overseas students, especially those from ASEAN and other B&R countries, to study in our city through the provision of scholarships and other incentives; and improving hostel facilities – We will launch a pilot scheme to streamline the processing of application in relation to planning, lands and building plans, so as to encourage the market to convert hotels and other commercial buildings into student hostels on a self-financing and privately-funded basis, increasing the supply of student hostels. The Government will also make available suitable sites for the private sector to build new hostels, having regard to market demand. The Development Projects Facilitation Office under the Development Bureau (DEVB) will provide one-stop advisory and facilitation services for these projects.</p>	108(ii,iii)
<p>21) Expand Our Vocational Talent Pool: The Government will build a campus for the newly established Hong Kong Institute of Information Technology, under the Vocational Training Council, and develop its Lift and Escalator Technology Centre.</p>	112
<p>22) Promote STEAM Education in Primary and Secondary Schools: The EDB will establish the Steering Committee on Strategic Development of Digital Education to promote digital education, renew the Junior Secondary Science Curriculum and provide support for teachers in using AI in teaching.</p>	113
<p>23) Strengthen Long-term Industry Development in the West Kowloon Cultural District: The West Kowloon Cultural District (WKCD) is one of the largest arts and cultural projects in the world. The WKCD Authority will take a leading role in establishing an industry chain for the arts and culture and creative industries of Hong Kong, driving cultural and creative tourism, and enhancing its financial sustainability through diverse and innovative industrialisation measures, including: further building Hong Kong's strengths in arts trading – Promote the creation of a comprehensive arts trading ecosystem, and build storage, restoration and exhibition facilities for high-end private art collections; promoting the WKCD as a prime destination for major international cultural, creative and commercial events – With more than 20 venues for different kinds of mega events, the WKCD Authority will step up efforts to host more major international cultural, creative and commercial events, attracting more inbound visitors and stimulating local spending; exporting more arts, cultural and creative projects – Organise and curate performing arts programmes and exhibitions to be staged as long-run events locally, in the Mainland and overseas on a commercial basis, and expand the sales channels for cultural and creative merchandise; and branding the WKCD as a must-visit landmark for cultural and creative tourism – Roll out more special experience activities, and step up worldwide promotion in collaboration with the Hong Kong Tourism Board (HKTB) to bring in more tourists.</p>	124(i-iv)
<p>24) Promote Sports Development and Build Hong Kong into a Centre for Mega International Sports Events: enhancing the development of elite athletes and coaches – The Government has invited the Hong Kong Sports Institute to review the mechanism of direct financial support for athletes (including athletes with disabilities) to enhance the training system, and has set up a committee to oversee the development of sports medicine and sports science. The Government will also strengthen training for coaches, and explore the feasibility of establishing a standardised accreditation system for coaches; boosting sports promotion in the community – Provide more sports and recreational facilities, including building a swimming complex suitable for hosting international competitions and a sports arena with fencing training and competition facilities. We will also regularise the Pilot Scheme on Subvention for New Sports; reforming the governance of national sports associations (NSAs) – The Sports Federation and Olympic Committee of Hong Kong, China will conclude its review on the governance and operation of NSAs, and make recommendations, ensuring the NSAs are operating effectively so that athletes (including athletes with disabilities) can realise their potential in a fair and professional environment; and</p> <p>The Government will review the redevelopment plan for the Hong Kong Stadium to ensure its synergy with the KTSP.</p>	125(i-iii) 126

<p>25) Facilitate R&D and Application of Construction Technologies and Align Hong Kong Standards with Guobiao: The DEVB established the Building Technology Research Institute (BTRi) this August. Apart from conducting R&D on innovative materials, construction methods and technologies, the BTRi also devises standards, conducts testing and provides accreditation to spearhead innovation in the industry. A Modular Integrated Construction (MiC) Manufacturer Certification Scheme will also be launched in synergy with production bases in the Mainland, so as to leverage the complementarity of the construction industries in Guangdong and Hong Kong.</p> <p>We will also review and enhance Hong Kong's building standards, which have been in place for many years, through the BTRi by making reference to overseas building standards and Guobiao (GB), with a view to promoting local application of high quality and cost effective construction materials from the Mainland and overseas. Moreover, when high quality GB construction materials and technologies are applied locally, it will also be beneficial for GB to explore international markets. We will also closely liaise with our counterparts in the Guangdong Province to take forward the formulation of the GBA Construction Standards.</p> <p>The HKHA will make wider use of MiC 2.0, the second generation MiC approach jointly developed with research institutions, and streamline the on site installation procedures to safeguard construction safety. Tender documents will also expressly state the works procedures permissible for the use of construction robotics to enhance site safety and construction efficiency</p>	177-179
<p>26) Expedite Urban Redevelopment: The Urban Renewal Authority is conducting planning studies for Tsuen Wan and Sham Shui Po, and will submit renewal master plans in the second half of next year. Meanwhile, the DEVB is examining the use of newly developed land to drive large scale urban redevelopment projects, including the cross district transfer of plot ratios and the construction of more dedicated rehousing estates, etc. The target is to formulate proposals in the first half of next year. To continue encouraging redevelopment and conversion of aged industrial buildings, we will extend an array of measures, which are expiring soon under the revitalisation scheme for industrial buildings, to the end of 2027, continuing to allow an increase in plot ratio of up to 20% for industrial building redevelopment projects.</p>	181-182
<p>27) Promote Women's Development: There are many women in Hong Kong playing leading roles. To promote women's workplace development, we will establish a network run by leading women from all walks of life and launch a mentorship programme "She Inspires". Under the programme, female university students will be paired with mentors from the senior management of different sectors.</p>	203
<p>Reform the Employees Retraining Board and Vigorously Strengthen the Training of Local Workers: In the last Policy Address, I announced a comprehensive review on the Employees Retraining Board (ERB), which has been completed. I accept the recommendations on reforming the ERB, enhancing its role and positioning, from providing employment-related training targeted at low-skilled workers to devising skills-based training programmes and strategies for the entire workforce. In face of intense market competition, rapid industry development and widespread use of technology application, it is particularly important for the workforce to engage in life-time learning and acquire new skills. Near-term reform measures include, from early next year, removing from the eligibility criteria the cap on education level of service recipients, and increasing the annual number of training places by at least 15 000, targeting at the entire workforce; strengthening collaboration with higher education institutions and leading enterprises; as well as enhancing the ERB's career planning and job-matching services for service recipients. In addition, the ERB will map out other medium to long-term measures, such as how it could gauge and anticipate future skill requirements, how to reposition itself and build a new branding, how its structure and staff be adjusted, and how the Employees Retraining Ordinance should be amended. The ERB will work out the details and timetable, with proposals expected by the end of next year.To support vocational training for local workers, the Government will put up two vacant school premises for application by established and experienced trade unions for providing training courses for different industries (particularly construction industry).</p>	208-209
<p>Enhance the Protection of Wages on Insolvency Fund and Protect Employees: The Government will take forward various measures to enhance employee protection, including: (i) abolishing the arrangement of using the accrued benefits of employers' mandatory contributions under the MPF System to offset severance payment and long service payment on 1 May next year. The Government will launch a 25 year subsidy scheme exceeding \$33 billion to share out employers' expenses upon the abolition of the offsetting arrangement; (ii) reviewing the coverage of ex gratia severance payments under the Protection of Wages on Insolvency Fund, and exploring an increase in the ceiling of ex gratia payments to enhance employee protection; (iii) implementing the new annual review mechanism of the Statutory Minimum Wage; and (iv) amending the continuous contract requirement under the Employment Ordinance by relaxing the threshold from working 18 hours in a week for four consecutive weeks (i.e. 72 hours in total) to an aggregate of 68 hours in four weeks, making it easier for employees to enjoy comprehensive employment rights.</p>	211
<p>Promote Occupational Safety and Health: The Government has been encouraging the industry to provide a safer working environment. Among other things, it mandated, in July, the adoption of the Smart Site Safety System (4S) for mobile plants in designated private-building works, and issued the first batch of 4S labelling. We will strengthen the protection of workers' safety under a three-pronged approach, formulating safety guidelines, promoting optimal use of robotic technology and enhancing industry training</p>	213
<p>Speed up Green Transformation of Manufacturing Production: The Government has been supporting local development of green technology through the Green Tech Fund and the Innovation and Technology Fund, transforming R&D projects with application potential into commercially valuable technologies or products and facilitating their production locally. The Environment and Ecology Bureau (EEB) is assisting two local companies in setting up production lines to upcycle local waste materials into high value products, namely core materials for electricity free cooling products and acoustic metamaterial products, promoting development of Hong Kong's green industry.</p> <p>The EEB has extended the usable area and lease terms of about 20 short term tenancy sites currently designated for recycling operation in Hong Kong, giving the recycling industry more room for further development and upgrading. The Government will inject \$100 million for a new round of the Cleaner Production Partnership Programme to expedite green transformation, renovation and the upgrading of local factories and Hong Kong owned factories in the Guangdong Province, bringing Hong Kong closer to its carbon neutrality targets.</p>	216-218

<p>Continue to Promote Ecological Conservation: The Government will continue to enhance the facilities of our country parks, integrating cultural characteristics of villages, to provide better eco tourism experience for the public and visitors. It will also continue to develop the Sam Po Shue Wetland Conservation Park.</p>	219
<p>Expand the Charging Network for Electric Vehicles: The Government has stepped up efforts to promote green transport. Through the EV charging at Home Subsidy Scheme and the gross floor area concession arrangement, about 200 000 EV charging parking spaces are expected to be available by mid 2027. The Government will earmark \$300 million for a new scheme, providing subsidies to the private sector for installing quick charging facilities. The target is to have a total of 3 000 quick chargers installed by 2030.</p> <p>The Government granted two vacant petrol filling station sites for conversion into quick charging stations earlier this year. It plans to invite expressions of interest from the industry next year to repurpose existing petrol filling station sites as charging stations, with topside development for other purposes under the "single site, multiple use" model.</p>	220-221
<p>Other proposals this year, not mentioned by Chamber before:</p>	Paragrah(s)
<p>Fully and Faithfully Implement the Principle of "One Country, Two Systems":</p>	12-14
<p>- Optimise the Institutional Strengths of "One Country, Two Systems"</p> <p>- Safeguard National Security:</p> <p>1) The newly enacted Safeguarding National Security Ordinance (SNSO) achieves convergence, compatibility and complementarity with the Hong Kong National Security Law (HKNSL). Together they form a comprehensive legal system and enforcement mechanism for safeguarding national security. But threats to national security may spring up any time. We must stay vigilant and put up our guard.</p> <p>2) Public officers are duty bound to safeguard national security.</p> <p>3) We will train up tutors at district level for promotion of national security education in the community. Thematic exhibitions will be rolled out by the gallery to dovetail with the 10th National Security Education Day next year. The Education Bureau (EDB) will also update the Curriculum Framework of National Security Education.</p>	15-17
<p>- Foster Patriotic Education</p> <p>The Government will host commemorative activities to strengthen the sense of patriotism. The EDB will organise a range of joint school and cross-sectoral activities under the "Love Our Home, Treasure Our Country 3.0" series, continue to enhance Chinese History and national geography education in primary and secondary schools, and enrich patriotism and history elements in Mainland exchange programmes.</p> <p>- Promote Chinese Culture</p>	18-19
<p>- Strengthen Governance Capabilities of the Civil Service</p> <p>1) Review the Public Service (Administration) Order and public Service (Disciplinary) Regulation to enhance the civil service disciplinary mechanism, and will consult with the Public Service Commission on the preliminary proposals next year.</p> <p>2) The Government will organise seminars and learning activities on the important policies, reports and so on delivered by the Central People's Government (CPG). We will also arrange for the middle, senior and directorate level officers to receive training at renowned institutions in the Mainland and overseas to help foster their sense of national identity and develop global perspectives.</p> <p>3) Government will continue to send officers to work in various offices of the United Nations through a dedicated programme.</p> <p>4) The Government will collaborate with the Mainland cities in the GBA, as well as Beijing, Shanghai, Chongqing, Wuhan and Hangzhou to launch mutual civil service exchange programmes.</p> <p>5) The Civil Service College will launch a Governance Talents Development Programme to further develop governance capabilities of officers at leadership ranks. The college will also enhance its internal research and training capability building.</p>	22-26
<p>To set up The Working Group on Developing Low-altitude Economy, led by the Deputy Financial Secretary, will kick-start projects with application prospects, formulate development strategies and action plans on the low-altitude economy, as well as take forward regulatory reform and plans for related infrastructural facilities;</p>	21(ii)
<p>We will step up our efforts in fostering Hong Kong's maritime industry while taking a multi-pronged approach to consolidate our status as an international shipping centre.</p>	47
<p>Create a Commodity Trading Ecosystem: We will explore the introduction of tax concessions and support measures to attract relevant enterprises in the Mainland and overseas to set up businesses in Hong Kong, building a commodity trading ecosystem in our city. There has been an international commodity exchange expressing its intention to establish accredited warehouses in Hong Kong for storage and delivery of commodities, including non-ferrous metal products. We will capitalise on this opportunity to establish relevant supporting facilities so as to attract Mainland enterprises to engage in commodity trade, especially of non-ferrous metal, in Hong Kong, further expanding the demand for our maritime and trade services.</p>	52-53

<p>providing greater export protection for enterprises – The statutory maximum indemnity percentage of the Hong Kong Export Credit Insurance Corporation (ECIC) will be increased from 90% to 95%. The ECIC will also provide more free buyer credit checks with extended geographical coverage, and enhance financing support for e-commerce businesses;</p> <p>providing robust export credit services – We will encourage the China Export & Credit Insurance Corporation to explore setting up businesses in Hong Kong, providing export credit insurance services covering overseas investment with prolonged investment period, offering Mainland enterprises in Hong Kong venturing overseas markets and foreign-funded companies doing businesses in Mainland market with more comprehensive export credit services;</p>	60(ii,iii)
<p>Foster Trading of Liquor: the Government has made reference to the successful experience of driving the wine trade through exemption of wine duty, and will, starting today, reduce the duty rate for liquor with an import price of over \$200 from 100% to 10% for the portion above \$200, while the duty rate for the portion of \$200 and below, as well as liquor with an import price of \$200 or below will remain unchanged.</p>	65
<p>Develop a Sports Dispute Resolution System: With the development of sports activities and industry, sports disputes have become increasingly complicated. We will explore establishing a sports dispute resolution system and promote sports arbitration, leveraging the institutional advantages of Hong Kong in dispute resolution.</p>	74
<p>International I&T Centre: Optimise the Strategy and Institutional Set-up for the Development of New Industrialisation: We will draw up a medium to long-term development plan for new industrialisation in Hong Kong. We will also press ahead with the establishment of the Hong Kong New Industrialisation Development Alliance to promote closer collaboration among the Government and the industry, academia, research and investment sectors, building a co-operative platform for new industrialisation in Hong Kong. This includes providing more financing opportunities and fostering I&T co-operation between newly-listed companies in Hong Kong and local universities.</p>	76
<p>Establish the Third InnoHK Research Cluster: The InnoHK research clusters have become home to about 2 500 research and development (R&D) personnel from Hong Kong and around the world. The Government has already started preparatory work to establish the third InnoHK research cluster, which will focus on advanced manufacturing, materials, energy and sustainable development. The target is to attract world-class R&D teams to collaborate with local institutions, promoting R&D and bringing in talents.</p>	77
<p>The Government will launch a new round of Research Matching Grant Scheme totalling \$1.5 billion to attract more organisations to support research endeavours of institutions.</p>	78
<p>Develop the Low-altitude Economy Formulating a management system for low-altitude economy will help drive development in areas such as telecommunication technologies, AI and the digital industry, unlocking the low-altitude airspace as a new production factor for our economy. The Government will establish the Working Group on Developing Low-altitude Economy. Led by the Deputy Financial Secretary, it will formulate development strategies and inter-departmental action plans, starting with projects on low-altitude applications. It will designate specific venues for such purposes, draw up regulations and design the institutional set-up, and study and map out plans to develop the required infrastructure and networks. Relevant measures include: 1) <u>exploring low-altitude flying application scenarios</u> – We will press ahead with pilot projects and designate venues to explore deploying drones for delivery, surveys, building maintenance, aerial photography, performances, search and rescue, and other possibilities; 2) <u>amending relevant regulations</u> – This includes relaxing restrictions on beyond-line-of-sight flying activities, as well as those on weight and loading of drones, encouraging market research and investment, facilitating technology tests and developing aerial tours; 3) <u>promoting interface with the Mainland</u> – We will explore with the Mainland authorities the joint establishment of low-altitude cross-boundary air routes, immigration and customs clearance arrangements and supporting infrastructure; and 4) <u>studying and planning for low-altitude infrastructure</u> – In the long run, we need a highly effective, intelligent and digitalised low-altitude infrastructure system for the real-time management on networks of low-altitude activities. It will strategise solutions for complex management and safety issues arising from such activities. The working group will embark on technical studies and planning of support facilities for low-altitude activities (such as vertiports and charging stations), communications network, air route network, management of low-altitude flying activities and so on to lay the foundation for the low altitude economy.</p>	82
<p>Promote Development of Communications Technology: Low Earth Orbit (LEO) satellites are less costly than traditional ones. The Government will conduct a study on streamlining the vetting procedures of licence applications for operating LEO satellites. The Government will also make available more suitable radio spectrum to the market in a timely manner.</p>	83
<p>Advance R&D of Aerospace Science and Technology: Hong Kong's research teams have been actively engaged in R&D of aerospace science and technology. This year, a Hong Kong resident was selected as a preparatory astronaut. We are very grateful for our country's support for Hong Kong in developing aerospace-related technologies. The Government will set up a research centre under the InnoHK research cluster to participate in the Chang'E-8 mission, contributing to national aerospace development.</p>	84

<p>Promote Development of an International Hub for Post-secondary Education: incentivising more local students to pursue advanced studies – We will set up the Hong Kong Future Talents Scholarship Scheme for Advanced Studies, beginning in the 2025/26 academic year, offering scholarships each year to up to 1 200 local students enrolling in designated postgraduate programmes;</p>	108(i)
<p>Promote Quality Development of Self-financing Institutions: We will introduce a bill next year to amend the Post Secondary Colleges Ordinance, to improve the regulatory and quality assurance mechanisms of self-financing post-secondary institutions.</p> <p>Develop the Northern Metropolis University Town: The Government has earmarked over 80 hectares of land in the Northern Metropolis for the Northern Metropolis University Town, and will encourage local post-secondary institutions to introduce more branded programmes, research collaboration and exchange projects with renowned Mainland and overseas institutions in a flexible and innovative manner. We will retain flexibility in the planning process to facilitate development of student hostels. We plan to publish the Northern Metropolis University Town Development Conceptual Framework in the first half of 2026.</p>	109-110
<p>Advance the Development of Universities of Applied Sciences: The Hong Kong Metropolitan University has been recognised as the first university of applied sciences (UAS) in Hong Kong. The UAS alliance will be established this year to, among other things, embark on joint promotion and strengthen collaboration with UASs around the world. The Government has allocated a start-up fund of \$100 million for the alliance.</p>	111
<p>Strengthen Support for Youth Development: We will create, among others, the "Youth Post" hostel and spaces for cultural and arts exchanges for youths in the Kai Tak Community Isolation Facility. We will also set up a physical platform for interaction in the Nam Cheong District Community Centre for "Youth Link" members. Communication with young people will be augmented through various means, including leveraging the new mobile application "HKYouth+" and other online media.</p> <p>To strengthen support for unleashing the potential of young people, the Government will establish a new interactive space and set up a video studio at the Youth Square. We will also launch a new round of the Funding Scheme for Youth Life Planning Activities to sponsor NGOs in providing enhanced services and strengthening national affairs content. The Hong Kong Jockey Club will contribute \$300 million to support these initiatives.</p>	117-118
<p>Enhance Cultural Soft Power and Promote Development of Cultural and Creative Industries: Established in June, the Cultural and Creative Industries Development Agency adopts an industry-oriented approach to promote the development of the cultural and creative industries. Relevant measures include: incubating more cultural and creative projects with potential for industrialisation through the CreateSmart Initiative and strengthening cross-sectoral collaboration and leveraging market resources, facilitating the industries to explore business opportunities; facilitating more registration of local and non-local cultural and creative products on the Asia IP Exchange Portal to foster cross-sectoral exchange, collaboration and business matching, and promoting transactions and transformation of cultural IP; and making the new flagship Hong Kong Fashion Design Week an annual signature event to develop Hong Kong into a fashion design hub in Asia.</p>	123
<p>Combat Public Rental Housing Tenancy Abuse: In recent years, the HKHA has been strengthening its efforts to combat PRH tenancy abuse. The number of PRH flats recovered by the HKHA due to tenancy abuse and breach of tenancy agreement or housing policies over the last two years adds up to 5 000, equivalent to building a medium sized housing estate. The results are prominent. The HKHA will launch the "Cherish Public Housing Resources Award Scheme" in January next year to offer rewards to persons who provide concrete intelligence that leads to identification of substantiated tenancy abuse of PRH.</p>	167
<p>Protect Children: The LegCo has enacted the Mandatory Reporting of Child Abuse Ordinance to require professionals in the social welfare, education and healthcare sectors to report serious child abuse cases. To strengthen parental education, the SWD will launch a pilot scheme to set up four Community Parents and Children Centres to promote parent child interaction and pass on positive parenting skills to parents through play based services, supporting families in need.</p>	205
<p>Implement Full Portability of the Mandatory Provident Fund: The Mandatory Provident Fund Schemes Authority will work out the details for implementing the "Full Portability" proposal, under which employees will be able to, making use of the eMPF Platform launched in June, transfer the accrued benefits derived from their employers' mandatory contributions to a scheme at their choice. This will help encourage the employees to proactively manage their Mandatory Provident Fund (MPF) investments, promote market competition, and create room for fee reductions.</p>	210