



The American Chamber of Commerce in Hong Kong
Submission on the 2025 Chief Executive Policy Address
August 2025

Reasserting an International Hong Kong

EXECUTIVE SUMMARY

- 1 Through the years, Hong Kong has upheld its status as a leading international hub for finance, trade, and investment. This is in large part driven by its role as the dominant gateway connecting Mainland China and the West, its strategic location as a shipping hub, and its robust and competitive business environment that continues to attract top talent from across the world. However, as the world witnesses an ever-changing international order, Hong Kong must also learn to embrace the new geopolitical climate by adopting a new positioning through novel ways of thinking and timely, proactive policy actions.
- 2 The Chamber appreciates this valuable opportunity to gather and share the perspectives of our diverse membership in response to the Chief Executive's Policy Address. The recommendations in this document reflect what the Chamber membership believes is essential to creating a thriving environment in Hong Kong. AmCham is deeply committed to supporting policies that will strengthen the city's long-term competitiveness on a global scale. Below is a summary of our key recommendations.
- 3 **Focus on the “Two Systems” framework and Hong Kong’s distinct characteristics:** AmCham acknowledges the Government’s commitment to upholding the “One Country, Two Systems” framework, particularly Hong Kong’s distinct legal and regulatory system that strengthens its global status. We encourage the continued **promotion of the city’s rule of law, bilingual common legal system, free flow of information, data, capital, and regulatory transparency as core pillars** of Hong Kong’s safe, stable and attractive business environment. Given the recent uncertainty in the global commercial landscape, it is essential that the Government **reinforce Hong Kong’s distinct characteristics compared to other Chinese cities, particularly its role as a cultural entrepot bridging east and west through unique traditions and language, and historically strong English standards - to maintain its international position.** In fact, Hong Kong must maintain its free port status. This is vital not only for sustaining business confidence but also for positively influencing overseas perceptions, which remains a key concern of the international community. The Chamber continues to reiterate its suggestion to **establish an interagency “Two Systems” office in the HKSAR Government**, to ensure these distinct advantages are reflected across policymaking.
- 4 **Maintain Hong Kong’s role as an international business center:** Hong Kong’s “Two Systems” framework and sound common legal system have long established the region as a reputable center of international trade and finance. AmCham encourages the Government to **promote Hong Kong’s international status as a role model across various sectors through visible, tangible policy actions.** Hong Kong should leverage its unique status as a distinct economy and free port to attract more foreign trading and investment. Moreover, to optimize its role as a primary business gateway to Mainland China, Hong Kong should act as a conduit of free, enhanced cross-border exchanges

in data, capital and talent. Furthering efforts at benchmarking with other institutional regimes, as evidenced in the Government’s promulgation of the Stablecoins Ordinance and establishment of the Risk-based Capital regime, will also bolster Hong Kong’s strategic role as a premier financial hub. Recent developments, such as the opening of the International Organization for Mediation and the re-domiciliation regime under the Company Ordinance, also provide a golden opportunity to showcase Hong Kong’s strengths in dispute resolution and legal services. What should also be emphasized is that – **from education to living habits, culture and diversity – the term “international” encompasses various aspects** vital for a holistic definition of a “global city”. For example, our members are of the view that **formal Government meetings should be conducted in English**, which can better accommodate the needs of the international community.

- 5 **Foster talent attraction and growth:** Hong Kong’s international status also depends upon the region’s ability to bridge diverse talents and act as an exceptional living destination for the global community. Efforts to consolidate Hong Kong’s overall talent strategy should ensure that **talent admission schemes and related promotional strategies effectively attract and retain high-caliber overseas talents and narrow gaps between expertise and company needs**. Hong Kong should also strategically nurture local talents through education; **revamping English Language education curricula including funding of more native English-speaking teachers across local schools and enhancing provisions of international schooling across all levels of education** will elevate the competitiveness of Hong Kong talents to world-class standards.
- 6 Specific recommendations for each of the bureaux are as follows:
- 7 **Commerce and Economic Development:** A crucial part of what solidifies Hong Kong’s economic prowess is its **commitment to free market principles**. AmCham views it as vital to **continue re-affirming and promulgating such principles**. This can be achieved through coordinating more intimately with banks, regulators, and overseas governments and protecting the free flow of information to protect Hong Kong’s reputation as an internationally reliable trading hub during a time of worldwide geopolitical uncertainty.
- 8 **Constitutional and Mainland Affairs:** To maximize the opportunities presented by Hong Kong’s pivotal role as a gateway to China, AmCham recommends **accelerating the Northern Metropolis development** to actualize economic and social benefits sooner. Particularly, we urge in establishing a special economic zone with its own legal framework ensuring talent, capital, and data mobility, and a Joint Shenzhen-HKSAR Governance Committee for the Hong Kong-Shenzhen Innovation and Technology Park. To enhance Hong Kong’s role as a conduit to the Mainland for international travelers, AmCham proposes **i) introducing the 144-hour visa-free transit policies in Guangdong-Hong Kong-Macao Greater Bay Area (GBA), ii) extending 240-hour visa-free transit policies to include Hong Kong border checkpoints, and iii) expanding “Mainland Travel Permit” eligibility to non-permanent Hong Kong residents**.
- 9 **Environment & Ecology:** AmCham supports Government progress made towards the goals of **Hong Kong’s Climate Action Plan 2050** but urges continued and coordinated policy action to ensure they are fully realized. Focusing on the **decarbonization of sectors** like energy and transport, alongside the development of effective **Municipal Solid Waste recycling systems** are critical, short-term steps that will ensure a competitive and livable Hong Kong in the long-term.
- 10 **Financial Services and the Treasury:** The financial services sector is integral to the Hong Kong economy and thus requires the utmost attention. AmCham and the Government align on multiple aspects such as **increasing cross-border financial cooperation, increasing cross-border talent exchange, enhancing the private wealth management market**, and more. Specific key actions that the Government could take include **improving the regulatory framework for digital assets**, promoting positive narratives about the industry, accelerating the **digitization of public and trade data infrastructure**, and internationally aligning the **Hong Kong taxonomy**.

- 11 **Health:** Hong Kong has taken vital steps to refine its current regulatory framework for medical devices and pharmaceuticals, and further efforts to **strengthen regulatory mechanisms** will consolidate the availability of high-quality medical products and services for residents. Hong Kong should also establish all-rounded **cost-effective evaluation models to determine optimal pricing for its markets and healthcare systems** whilst allowing the private healthcare sector to alleviate long-term excess patient demands experienced by its public counterpart. **Proper, ethical utilizations of artificial intelligence, data and related technologies in the medical sector** will consolidate Hong Kong's potential of becoming a high-tech bio-innovation hub.
- 12 **Innovation & Technology:** For years, Hong Kong has ranked among the world's leading economies according to its innovation capabilities, in large part due to strong Government policies like the major funding and cross-boundary data initiatives that reinforce this trajectory of growth and technological leadership. To continue building on this momentum, the Government must continue to prioritize **open access to data, cross-boundary data flow from Mainland data hubs, and policies that strike a balance between regulation and innovation**. Investing in **evolving and emerging digital infrastructure and technologies** are also key to sustaining Hong Kong's position as a global innovation hub.
- 13 **Insurance:** Internationally, Hong Kong's insurance industry surpasses many, due to its insurance density and penetration. To continue developing Hong Kong into an international insurance hub, AmCham recommends maintaining **an internationally aligned approach to capital requirements and streamline re-domiciliation applications**. Further efforts to **enhance connectivity with the GBA and modify the Voluntary Health Insurance Scheme** can help position Hong Kong as a more attractive destination for global insurers and investors.
- 14 **Tourism:** Hong Kong has seen a vibrant recovery in tourism fueled by an array of mega events. To sustain this growth, **clear, unified tourism strategies** are essential to align all industry stakeholders towards a common goal, ensuring a cohesive approach that enhances the overall visitor experience. **Enhancing global appeal by highlighting Hong Kong's unique culture, cuisine, and natural environment** will help differentiate it from regional competitors. **Improving arrival experiences and the Kai Tak infrastructure** will attract more travelers and optimize their satisfaction. Additionally, **streamlining approvals for *al fresco* Harborfront restaurants and extending the Avenue of Stars** will enrich visitor experiences and pedestrian flow during major events.
- 15 **Sports:** AmCham celebrates the significant milestones Hong Kong has achieved in the sports arena, highlighted by the success of the 2024 Paris Olympics and the opening of the Kai Tak Sports Park. We remain excited about the opportunities the upcoming China National Games will bring to the city. To capitalize on this momentum, the Chamber sees the potential for, and supports, the HKSAR to **bid for the 2036 Olympics with the GBA**. Based on the Government's five-pronged strategy, we recommend **greater promotion of sports in the community, elite sports development, supercharging sports tourism, improved sports professionalism** through technology and governance, and **developing sports as an industry**. These strategies will sustain long-term growth of the sports sector in Hong Kong and elevate the city's global status through enhanced soft power.
- 16 **Transport & Logistics:** Hong Kong's logistics industry is facing increasing economic challenges, while rising contention from regional neighbors continues to undermine the sector's relative competitiveness. To **bolster Hong Kong's standing as a premier logistics hub**, it is necessary that the Government continue to **leverage Hong Kong's unique free-port status and incentivize** various actors to use the Port of Hong Kong amidst wider uncertainties. AmCham also hopes to see a **wider adoption of sustainable fuel for maritime and aviation sectors**. Additionally, we envision a vibrant **point-to-point transport ecosystem in Hong Kong**, which embraces efficient, safe and diverse transport options for both riders and drivers and offers enhanced passenger experience in key sectors such as aviation.
- 17 Further details of AmCham's recommendations for this year's Policy Address submission are outlined in the following chapters. In the interest of Hong Kong's continued economic health and prosperity, the Chamber urges the

Government to give these proposals serious consideration. We remain available to answer any questions and look forward to the 2025 Policy Address.

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1. Commerce & Economic Development

18 Hong Kong is well-known as an international business and trade hub due to its commitment to free market principles and its free port status. To maintain and improve upon Hong Kong's status as a trade and investment hub, AmCham views it as imperative to communicate this commitment in a time when global trade faces new challenges.

19 Therefore, AmCham recommends the Government to:

- Expand Hong Kong's Reputation as an Internationally Reliable Trading Hub
- Continue to Re-affirm Hong Kong's Free Market Principles
- Coordinate and Facilitate Dialogue with Banks, Regulators and Overseas Governments

Expand Hong Kong's Reputation as an Internationally Reliable Trading Hub

20 Invest Hong Kong (Invest HK), the Government Department of Foreign Direct Investment, stated that this year, foreign direct investment surpassed the Policy Address performance indicators. They announced that over 1300 overseas and Mainland companies set up or expanded their business in Hong Kong from January 2023 to the first six months of 2025, bringing in foreign direct investment of more than HK\$160 billion.¹ AmCham commends the Government's policy of explicitly encouraging the free flow of goods.²

21 To uphold Hong Kong's reputation as an internationally reliable trading hub, AmCham advises the Government to:

- Reaffirm Hong Kong's status as a free port and a member of World Trade Organization (WTO).
- Maintain strong trade control policies to ensure Hong Kong remains a trusted hub for trade and trade finance.
- Continue to promote dual-use goods licensing in alignment with international export control regimes.
- Expand and deepen free trade agreements with key Asian and global economies.
- Give due consideration to suggestions made by international chambers regarding the preservation of the "Two Systems" framework to restore overseas perceptions of Hong Kong—skepticisms which our members encounter frequently, when they try to tell the "Hong Kong Story", with their headquarters or overseas partners and clients.

Re-affirm and Promulgate Hong Kong's Free Market Principles

22 Hong Kong thrives as a free, open, and competitive trade and investment center. This reputation of Hong Kong is what allows the trade and investment industry to flourish. The city's status as an international business hub depends on maintaining its distinct, free, and independent systems in finance, banking, and economics.

23 Investment, both inward and outward, constitutes a significant portion of Hong Kong's GDP. Hong Kong's role as a gateway for regional investment is essential to maintaining its economic vitality.

24 To uphold the global perception of Hong Kong as a gateway for trade and investment under the principles of free enterprise and free trade, AmCham suggests the Government to:

- Publicly reaffirm Hong Kong's continued independence in financial and banking systems.
- Communicate the unique qualities of Hong Kong—a separate customs territory that has the ability to participate in relevant international trade agreements under the Basic Law.³
- Position Hong Kong as Asia's premier gateway for both inward and outward investment flows due to the lack of import tariffs.
- Highlight and market successful investments and partnerships facilitated through Hong Kong.
- Continue streamlining and digitizing investment as set out by the ITIB's Policy Statement.⁴

¹GovHK. (2025, July 7). Secretary for Commerce and Economic Development visits Hong Kong Science Park and meets technology start-ups. <https://www.info.gov.hk/gia/general/202507/07/P2025070400590.htm>

²Trade and Industry Department. (2024). Hong Kong's System of Trading Rights and Control Policies. <https://www.stc.tid.gov.hk/english/hksarsys/stcpolicy.html>

³Trade and Industry Department. (2024, July). Hong Kong: The Facts – Trade and Industry. https://www.tid.gov.hk/en/our_work/statistics/factsheet/factsheet.html

⁴Innovation, Technology and Industry Bureau & Office of the Government Chief Information Officer. (2023, December). Policy Statement on Facilitating Data Flow and Safeguarding Data Security in Hong Kong. https://www.itib.gov.hk/assets/files/Policy_Statement_Eng.pdf

Coordinate and Facilitate Dialogue with Banks, Regulators and Overseas Governments

- 25 AmCham applauds the Government for setting out clear guidelines concerning the opening of bank accounts for those without permanent resident status. The Hong Kong Monetary Authority (HKMA) states that besides local requirements, some banks currently need to comply with the requirements or standards as set out by overseas authorities.⁵ The Security and Futures Commission (SFC) has also published a list of eligible jurisdictions in the remote onboarding of overseas individual clients.⁶ However, there could be room for clarification for US citizens.
- 26 A key part of what contributes to Hong Kong's image as an attractive location for investors is that it is an international trading platform, providing a viable location for international family offices. In turn, this is reliant on banking freedom and ease in opening accounts. Currently, US citizens face major obstacles in the way of opening accounts in Hong Kong, largely due to compliance with US taxation rules such as the Foreign Account Tax Compliance Act (FATCA), which creates a competitive disadvantage for Hong Kong.
- 27 To mitigate this difficulty for US citizens in Hong Kong, AmCham suggests the Government can:
- Coordinate with banks and regulators to clarify compliance obligations under FATCA. Currently, the banking sector is struggling to coordinate with the US on these issues.
 - Facilitate dialogue between banks and regulators to clarify compliance obligations under FATCA, reducing uncertainty for financial institutions.
 - Promote Hong Kong's banking freedom and accessibility to the public.
 - Develop solutions that make opening bank accounts for international citizens simple to increase global competitiveness.

⁵ Hong Kong Monetary Authority. (2024). Understanding Account Opening. <https://www.hkma.gov.hk/eng/smart-consumers/account-opening/>

⁶ Securities and Futures Commission. (2025, July 5). Circular to Intermediaries – Supervision. <https://apps.sfc.hk/edistributionWeb/gateway/EN/circular/intermediaries/supervision/doc?refNo=25EC31>

2. Constitutional & Mainland Affairs

Constitutional & Mainland Affairs

- 28 Hong Kong is Asia's top financial hub and the world's third largest financial center behind New York and London.⁷ It ranks third in the World Competitiveness Yearbook 2025, marking its highest position since 2019.⁸ These recognitions reaffirm Hong Kong's position as a premier global financial hub, underpinned by the unique advantages under the 'One Country, Two Systems' framework. As a gateway for international companies to access the Mainland Chinese market and a conduit for Chinese companies to go global, Hong Kong's pivotal role as a super-connector with both English and Chinese as official languages should be further strengthened, particularly within the GBA.
- 29 To achieve this goal, AmCham believes the city should deepen economic interaction with the Mainland China while reinforcing its global competitiveness through the following areas:
- Provide Policy Updates on the Northern Metropolis development
 - Collaborate with the Central Government in Offering Chinese Visa Waiver for US Travelers Entering through Hong Kong
 - Facilitate Cross-border Talent Exchange

Provide Policy Updates on the Northern Metropolis Development

- 30 AmCham commends the Government's innovative strategy to position the Northern Metropolis as a new engine for Hong Kong's development as an international financial and technology hub. Since the launch of the initiative in 2021, steady progress has been made on several key projects, including the establishment of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Lok Ma Chau Loop and the commencement of Phase 1 infrastructure works for the San Tin Technopole in December 2024.
- 31 While the overall development is projected to span two decades, AmCham urges the Government to expedite the process to actualize economic and social benefits sooner. Upon full development, initiatives such as HSITP are expected to generate HK\$52 billion in annual economic value and create approximately 52,000 quality jobs, many in high value-added sectors that will diversify Hong Kong's economy beyond finance and property.⁹
- 32 In addition to this, AmCham also identified a need to establish a "Special Economic Zone" in the Northern Metropolis to facilitate the development of the region, as recommended in its submission to the 2024 CE Policy Address¹⁰:
- Work with the Central Government to establish a special economic zone with its own set of legal frameworks consented to by the two Governments. In addition, this special zone should prioritize seamless flow of talent, capital, and data.
- 33 AmCham recognizes the importance of the Northern Metropolis development to Hong Kong's long-term economic growth. HSITP, one of the key projects, serves as both a physical and regulatory bridge, linking the Mainland's expansive manufacturing ecosystem and advanced Research and Development (R&D) capabilities with Hong Kong's international outlook, strong rule of law, and robust research base. This unique positioning enhances the Park's value as a two-way conduit, enabling global companies to access Mainland opportunities through Hong Kong's business-friendly platform, while also introducing new commercial and research possibilities to Mainland enterprises. To fully unlock these benefits, AmCham recommends that the Government:
- Establish a Joint Shenzhen-HKSAR Governance Committee to lead and communicate the Park's development plan and ensure transparent decision-making. Particularly, all tenant approvals should strictly adhere to the

⁷ RTHK. (2025, March 20). HK ranked Asia's top financial center, third globally. <https://news.rthk.hk/rthk/en/component/k2/1796664-20250320.htm>

⁸ GovHK. (2025, June 17). HK rises to third on competitiveness. https://www.news.gov.hk/eng/2025/06/20250617/20250617_103758_720.html?type=ticker

⁹ Legislative Council. (2021). Supplementary provision for 2020–21. <https://www.legco.gov.hk/yr20-21/english/fc/fc/papers/f20-87e.pdf>

¹⁰ AmCham Hong Kong. (2024, August). AmCham 2024 CE Policy Address Submission. https://www.amcham.org.hk/sites/default/files/2024-08/AmCham%202024%20CE%20Policy%20Address%20Submission_FINAL.pdf

Park’s innovation and technology objectives, to prevent future land repurposing for irrelevant real estate development.

- Establish a robust public–private partnership framework for park development. The framework should explore alternative financial instruments, including joint ventures and public-private investment funds, to encourage increased financing and bondholding from the private sector. This approach will help secure the Park’s long-term resilience and financial stability. Additionally, public consultation should be conducted to accommodate the needs of prospective residents.
- Provide interim bus services to the Park to bridge the temporary transport gap until the Northern Link opens in 2034. These services will support daily operations, enhance accessibility, and complement planned pedestrian bridges, thereby strengthening Shenzhen–Hong Kong connectivity during the transition period.

Offer Visa-free Access for US Travelers Entering the Mainland through Hong Kong

- 34 AmCham recognizes the SAR Government’s ongoing efforts to reinforce the city’s role as a global trade gateway connecting the East and West. Such unique characteristics successfully attract international companies, especially from the United States (U.S.), to establish their regional headquarters or offices in Hong Kong. As of 2024, 1,390 American companies are operating in Hong Kong, and many of them use Hong Kong as a base for their Asia-Pacific or Greater China operations, making the U.S. the third-largest source of overseas firms in the city, following Mainland China and Japan.¹¹
- 35 Many of these businesses have offices, subsidiaries, or other business operations in both Hong Kong and the Mainland. There is a need for these American business executives to travel to the Mainland regularly, either for business meetings or factory inspections. Ordinary U.S. citizens need to have a valid visa to visit China, although China extended unilateral visa waiver to 43 countries, many of which are European countries¹². Americans can apply for a 10-year, multi-entry visa; however, the application process can take between three and six months during peak seasons,¹³ which may affect the ability of senior executives to conduct business activities that are time sensitive, such as site visits and meetings.
- 36 To foster more people-to-people and business-to-business exchanges between the U.S., Hong Kong, and the Mainland, and strengthen Hong Kong’s competitiveness as a global business hub, we have the following recommendations:
- To benefit individual **American travelers who are visiting Hong Kong and wish to travel to other GBA mainland cities**, AmCham suggests coordinating with the Central Government to introduce a “144-Hour Land Transit Visa-Free Entry” scheme exclusively in the GBA. This is an extension of the 2024 group-tour visa-free policy for Guangdong to also include individual travelers, thus unlocking the GBA’s tourism and business potential.
 - To benefit **American transit travelers, who are visiting other Asian cities via Hong Kong, but also wish to visit other mainland cities**, AmCham suggests including all Hong Kong entry points (including land ports) in China’s 240-hour visa-free transit policy, which currently covers 34 airports and seaports but excludes land ports in Hong Kong.
 - Expand eligibility of the “Home Return Permit for non-Chinese nationals” to non-permanent residents. AmCham appreciates the Central Government’s decision to implement the Mainland Travel Permit for non-Chinese Hong Kong permanent residents in 2024. We recommend that this arrangement extend to include non-permanent residents. This would demonstrate Hong Kong’s role as a gateway connecting the Mainland with the rest of the world, facilitating business, investment, and academic exchanges. By making it easier for both short-term and potential long-term talent to choose Hong Kong as their base of operations, this policy would enhance the city’s attractiveness and international connectivity, benefiting broader global interactions.

¹¹ Hong Kong Business. (2024, June 26). HK sees surge in overseas and mainland firms and startups. <https://hongkongbusiness.hk/markets-investing/news/hk-sees-surge-in-overseas-and-mainland-firms-and-startups>

¹² China Visa Application Service Center. (2024, July). Notice on visa services for Chinese visa applicants. https://www.visaforchina.cn/DEL3_EN/tongzhigonggao/327343163872251904.html

¹³ AmCham China. (2024). Business Visa Program. <https://www.amchamchina.org/business-visa-program/>

Facilitate Cross-border Talent Exchange

- 37 AmCham welcomes the Government's introduction of the Greater Bay Area Youth Employment Scheme (GBAYES) in 2020, to facilitate greater cross-border talent exchange within the region. The program has been successful in fostering career development for Hong Kong young professionals, who gained valuable first-hand experience and insights into mainland China's business and cultural environment. However, concerns raised about the timing and cost may impede the further success of the program. The scheduling of the GBAYES does not always match employers' recruitment cycles or project planning timelines, which makes it difficult for some firms to efficiently integrate Hong Kong youth into their operations on the Mainland.¹⁴
- 38 Additionally, employers are required to offer a minimum monthly salary of HK\$18,000 to young professionals with a bachelor's degrees or higher, with the government providing a subsidy of up to HK\$12,000 per month for a maximum of 18 months.¹⁵ Even with the subsidy, companies, especially small and medium-sized enterprises, still shoulder substantial additional expenses. To maximize the outcome of this program and facilitate the talent exchange between Mainland China and Hong Kong, AmCham would like to propose to that the Government to:
- Introduce flexible start dates with multiple intake periods to accommodate traditional hiring cycles, launch pilot programs with select banks to refine alignment, and coordinate closely with employers to understand their recruitment timelines for better synchronization.
 - Increase subsidies and financial incentives for employers, such as partial salary subsidies and relocation allowances, while introducing virtual secondment programs to reduce relocation costs and enhance accessibility for a broader range of participants.
 - Establish a centralized support hub to assist with logistics and legal issues related to secondments, provide comprehensive training and development programs—including cultural and language training—and implement mentorship programs pairing alumni with young professionals to enhance their integration and learning experience.

Diversity and Inclusion under the Equal Opportunities Commission

Promote Hong Kong as an Equitable and Inclusive Society

- 39 Hong Kong is a highly diverse metropolis. Demographically, in 2021, there are 619,568 non-Chinese people in Hong Kong, accounting for 8.4% of the population.¹⁶ Consequently, it is crucial to build Hong Kong into an equitable and inclusive society to avoid further brain drain and to ensure all Hong Kong people feel welcomed and included in the workplace. AmCham recommends the following actions:
- Hong Kong can no longer afford to overlook the talents and value of non-Chinese and non-English-speaking people in Hong Kong. These groups are often the subject of discrimination in job searches and in the workplace and are denied employment because their Cantonese, Mandarin and/or English skills are not at a sufficiently high level even when a job does not require these skills. AmCham encourages the Government to increase its efforts to fight discrimination (both in the public and private sectors) on the basis of race and ethnicity and to increase investment in. It is also highly encouraged that the Education Bureau roll out full syllabuses for teaching Chinese as a second language in the local school system in Hong Kong and strengthen its existing English Language curriculum across local schools. Detailed suggestions with respect to English Language education are available in the Education section within this paper.

¹⁴ Hong Kong General Chamber of Commerce. (2022). GBA Survey 2022. https://filefolder.chamber.org.hk/doc/GBA_Survey_2022_2_EN.pdf

¹⁵ GovHK. Frequently Asked Questions - Greater Bay Area Youth Employment Scheme. <https://www1.jobs.gov.hk/0/en/information/Gbayes/Faq/>

¹⁶ "The Demographics : Ethnic Groups." Race Relations Unit, Home Affairs Department, Government of the Hong Kong Special Administrative Region, 30 June 2025, www.had.gov.hk/rru/english/info/demographics.htm#:~:text=The%202021%20Population%20Census%20found%2C%20there%20were%20about%20619%2C568%20non-Chinese%20people%20in%20Hong%20Kong%2C%20or%20about%208.4%25%20of%20the%20population. Accessed 31 July 2025.

Further Efforts to Protect LGBTQ Rights

AmCham appreciates the Government for introducing the Same-sex Partnerships Bill, which marks a significant step toward genuine diversity and inclusion in Hong Kong. In addition to the provisions outlined in the Bill, we recommend further measures to advance these initiatives, thereby strengthening the protection of LGBTQ rights in Hong Kong and distinguishing the city's legal framework from that of other Mainland cities. With over 60% of Hong Kong citizens supporting same-sex marriage—an increase from 38% in 2013 and 50.4% in 2017—and 71% endorsing laws against sexual orientation discrimination, Hong Kong is well-positioned to lead in Asia by advancing LGBTQ rights.¹⁷

To further enhance the protection of LGBTQ rights in Hong Kong, we propose the following key measures:

- Advocate for full marriage equality, enable individuals to change gender markers on Hong Kong identification cards without invasive and unnecessary surgery, ensure access to healthcare at public facilities for transgender youth, and implement non-discrimination policies in the workplace for LGBTQ employees. These measures will be vital in protecting the community, enhancing workplace participation by LGBTQ individuals, and facilitating the attraction of LGBTQ professionals to companies in Hong Kong.¹⁸
- Officially declare members of the LGBT community as a protected class and design relevant laws and orders to safeguard their rights and ensure that equal opportunities of self-actualization are accessible to them. In Hong Kong, under Sex Discrimination Ordinance (SDO) (Cap. 480), it is unlawful to discriminate against a person on the ground of sex, marital status, pregnancy or breastfeeding in prescribed areas of activities.¹⁹ However, the current SDO does not include the protection of members of the LGBT community.

¹⁷ “Change Over Time Report 2023.” School of Law, University of North Carolina at Chapel Hill, May 2023, <https://law.unc.edu/wp-content/uploads/2023/05/Change-Over-Time-Report-2023-FINAL-English.pdf>. Accessed 31 July 2025.

¹⁸ Heung, Sammy. “Hong Kong’s Transgender Teens Struggle with Confusion and Pain as Specialised Healthcare Is for Over-18s Only.” South China Morning Post, 25 June 2023, www.scmp.com/news/hong-kong/health-environment/article/3225277/hong-kongs-transgender-teens-struggle-confusion-and-pain-specialised-healthcare-over-18s-only. Accessed 31 July 2025.

¹⁹ “Hong Kong e-Legislation (HKeL).” Hong Kong e-Legislation, Department of Justice, Government of the Hong Kong SAR, last review date April 2025, www.elegislation.gov.hk/. Accessed 31 July 2025.

3. Culture, Sports & Tourism

Sports

40 AmCham acknowledges the substantial progress that has been achieved in the development of Hong Kong as a prominent regional sports hub in the past year, following the success in the 2024 Paris Olympics, the opening of the Kai Tak Sports Park, and the increased number of International Sporting events coming to Hong Kong and the upcoming China National Games. With these positive developments, AmCham is enthusiastic about the potential for more innovative and cohesive policies advancing Hong Kong's sports sector.

41 This section focuses on six key pillars that will drive growth and development in sports:

- Support a Bid to Host the 2036 Summer Olympics with the GBA
- Promote Sports in the Community
- Position Hong Kong as a Center of Major International Sports Events
- Develop Sports as an Industry
- Enhance Professionalism in Sports
- Strengthen Support for Elite Sports in Hong Kong

Support a Bid to Host the 2036 Summer Olympics with the Greater Bay Area (GBA)

42 Guangzhou, Shenzhen, and Macau, our GBA neighbors, are investing heavily in sports infrastructure and attracting international events. In Hong Kong, the opening of the Kai Tak Stadium facilities enhances our ability to host larger-scale sporting events. With these resources in place, AmCham sees significant potential for Hong Kong to host the 2036 Olympics in collaboration with the GBA. The close cooperation among GBA cities in preparation for the upcoming National Games, demonstrates our readiness to pursue this ambitious yet feasible goal. A coordinated bid would strengthen regional integration, align with National Development Goals, promote the GBA to the world, and reinforce Hong Kong's role as China's international gateway. Therefore, we suggest that the Government consider:

- Formally evaluate and support Hong Kong's participation in a GBA bid for the 2036 Olympic Games by conducting a comprehensive feasibility study in partnership with Guangdong and Macao authorities.

Promote Sports in the Community

43 AmCham recognizes the importance of engaging districts and communities in the development of sports. The recent launch of the Kai Tak Sports Park underscores the Government's commitment to promoting physical health and sports participation through initiatives such as the Kai Tak Sports Initiative, which offers diverse and accessible programs to encourage widespread public engagement. Additionally, the growing popularity of events like HYROX, which has been hosted in Hong Kong over the past two years, reflects an emerging and more pervasive fitness culture within the community. To capitalize on the positive momentum, AmCham recommends that the Government adopt a more proactive and strategic approach to nurturing and sustaining a strong fitness culture, while enhancing public awareness of sports development throughout Hong Kong. We suggest that the Government:

- Organize cross-departmental sports events such as world college students' and senior sports games in Hong Kong to engage citizens of varying ages and expertise, encouraging broader participation in sports.
- Expand the existing SmartPlay platform infrastructure into a comprehensive information portal that highlights key events, such as athlete championships and upcoming schedules for major games. This will keep the community informed about the latest developments in Hong Kong's sports industry and encourage public support for local teams.

Position Hong Kong as a Center for Major International Sports Events

44 AmCham is pleased to see the Government actively making progress in establishing itself as a premier destination for mega sports events following the opening of the Kai Tak Sports Park. However, with regional governments and venue operators investing heavily in sports and competing for sports properties, there is a need for a more efficient process for international sports organizations to book venues and obtain approvals, ensuring that Hong Kong is included as a potential location for these events. The lack of a "first point of contact" for sports event organizers

creates barriers to their collaboration with the Government. Moreover, the extension of application and approval processing time for venues, including country parks, from 9 to 12 months poses challenges for organizers wishing to utilize Hong Kong's many facilities and natural outdoor areas for hosting international sports events. To this end, AmCham urges the Government to:

- Establish a dedicated Sports Tourism Unit under the Hong Kong Tourism Board (HKTb) to facilitate unified, efficient, and time-saving cross-departmental coordination and eliminate communication inefficiencies between government bodies.
- Develop transparent and efficient application and approval procedures required by the Leisure and Cultural Services Department (LCSD) and the Agriculture, Fisheries and Conservation Department (AFCD) for promoting and hosting sports events in country parks. Additionally, implement fast-track procedures for recurring events and established organizers.

45 Developing signature sporting events—such as marathons, triathlons, the Rugby Sevens, and the Hong Kong Tennis Open—offers a valuable opportunity to enhance Hong Kong's standing as a leading sports tourism destination in Asia. AmCham recognizes that attracting international participants and spectators to these marquee events can significantly boost economic growth and increase visitor arrivals, serving as a powerful catalyst for super-charging sports tourism in the city.

46 However, the current conventional marketing strategies, such as advertisements on bus bodies and posters at the LCSD's venue²⁰, do not effectively maximize promotion to increase the popularity of these events.

47 A notable case study is the US Tennis Open, which showcases a global sporting spectacle supported by sophisticated marketing strategies. Their campaigns feature high-profile collaborations with celebrities like DJ Mustard and Cookiec Kawaii²¹, effectively drawing in audience worldwide. This disparity limits the appeal of Hong Kong's international sports events both locally and globally.

48 Therefore, we suggest that the Government:

- Develop a strategic plan to promote Hong Kong's Brand and international recognition as a leading sports center.
- Enhance marketing strategies both locally and internationally to attract a broader audience, including collaborations with local and global celebrities for innovative promotional events like concerts and interactive fan experiences.
- Partner with local organizations to promote and organize international events, such as the Hong Kong Sevens, the NBA China Games, or new cross-border tournaments, like the Shenzhen-Hong Kong Marathon, to foster wider regional cooperation for new events.
- Improve sports tourism campaigns by implementing comprehensive awareness initiatives that go beyond current efforts. The Government should mandate the installation of dedicated promotional infrastructure for sports events, including air and rail terminal promotional locations, light poles, digital banners, and street signage in key districts during major events.

Development of Sports as an Industry

49 AmCham commends the Government's commitment to developing Hong Kong's sports industry, as reflected in a budget increase from HK\$3.9 billion in 2014-15 to HK\$7.9 billion in 2024-25.²² The Government's five-pronged strategy has yielded impressive results, exemplified by Hong Kong athletes' historic success at the 2024 Paris Olympics. AmCham also welcomes the Legislative Council's consideration of legalizing basketball betting, and looks forward to collaborating with the Government to ensure a regulatory framework that upholds integrity, transparency, and responsible gambling.

²⁰ Sports Commission. (2019, April 9). Progress Report of the Major Sports Events Committee. Paper No. SC 8/2019. https://www.sportscommission.hk/doc/eng/papers/msec_sport_20190409_sc8_e.pdf

²¹ QNS. (2024, August 1). USTA unveils 'Be Open' campaign for 2024 US Open, celebrating diversity and equality. <https://qns.com/2024/08/usta-be-open-2024-us-open-diversity-equality/>

²² GovHK. (2025, January 8). Secretary for Culture, Sports and Tourism visits Hong Kong Sports Institute and meets elite athletes. <https://www.info.gov.hk/gia/general/202501/08/P2025010800238p.htm>

50 However, administrative processes currently present hurdles to the further development of the sports industry. For instance, the Subvention Scheme for New Sports, designed to promote emerging sports and encourage public participation, limits applications to a short, once-yearly window. This restrictive timeline discourages many organizations from fully engaging in initiatives that could boost sports development. Additionally, sports such as rope skipping and jump rope have gained significant traction, particularly due to exposure on the Olympics Channel, showcasing a strong base of both participation and elite talent in Hong Kong.

51 To mobilize greater industry support in achieving the shared goal of positioning Hong Kong as a regional sports powerhouse, AmCham recommends that:

- Revamp the application procedure for the Subvention Scheme by extending the application window to a year-round format.
- Adopt a mid-to-long-term perspective on emerging sports like rope skipping and jump rope, fostering opportunities for Hong Kong to shine on the international stage.

52 While access to top-tier training personnel and state-of-the-art facilities is crucial for athletes' success, supported by both private and public sectors,²³ many sports organizations still struggle to secure sponsorship and funding. This limitation constrains event visibility, revenue, and audience growth, ultimately impeding athlete advancement across both mainstream and niche sports. To address this, AmCham urges the Government to:

- Increase financial support for the sports industry, specifically for sponsorship and events, through Section 88 for registered sports charities. A tax deduction should also be applicable for commercial sports intellectual property (IP) that has strong Environmental, Social, and Governance (ESG) programs, which support sports in increasing private sector investment in the sector.

Enhanced Professionalism in the Sports Sector

53 AmCham commends the Sports Federation and Olympic Committee of Hong Kong, China (SF&OC)'s recent initiatives to review and benchmark the governance and operations of Hong Kong's numerous NSAs, which mark an encouraging move toward greater transparency, financial accountability, and improved organizational effectiveness.²⁴ Nonetheless, there remains an urgent need to:

- Further develop sponsorship opportunities and raise event management standards across both non-profit and commercial sports organizations. These improvements are crucial for attracting a broader audience, boosting revenues, and fostering sustainable growth.

54 AmCham acknowledges the positive strides made by the Government in advancing sports development, notably through collaborative initiatives such as the Sports Science and Research Funding Scheme, established in partnership with the Hong Kong Jockey Club. This partnership reflects a strong commitment to enhancing athlete performance and overall sports programming by integrating cutting-edge sports science and research into policy and practice.

55 However, despite these efforts, Hong Kong has yet to fully harness the vast potential of sports technology as a key driver of innovation. Areas such as venue management, athlete performance optimization, fan engagement, and event organization present significant opportunities for technological advancements. By embracing state-of-the-art solutions in these domains, Hong Kong could substantially elevate its profile in the global sports arena, fostering more dynamic, engaging, and efficient sporting events.

56 Therefore, AmCham urges the Government to:

- Support Hong Kong Sports Institute and sports organizations in incorporating advanced sports technology to optimize training program and enhance athlete performance through initiatives such as wearable technology and performance analytics.

²³The Hong Kong Jockey Club. (2021, August 10). The Hong Kong Jockey Club launches "Riding High Together Sports Programme" to promote wellness in community. https://corporate.hkjc.com/corporate/corporate-news/english/2021-08/news_2021081001730.aspx

²⁴The Standard. (2020, October 13). Code of governance released for sports association covering athlete selection and board tenure. <https://www.thestandard.com.hk/breaking-news/article/222972/Code-of-governance-released-for-sports-association-covering-athlete-selection-and-board-tenure>

- Introduce a dedicated Sports Technology Innovation Initiative aimed at enhancing venue management, securing sponsorship for mega sport events, enriching fan engagement with immersive digital experiences, and streamlining event organization with cutting-edge systems.

Strengthen Support for Elite Sports in Hong Kong

57 AmCham is pleased to celebrate the outstanding achievements of Hong Kong's athletes, especially Ryan Choi's historic success as the city's first fencing world champion at the FIE Fencing World Championships in July 2025. This accomplishment is a testament to the Government's continuous support for the fencing community and the broader Hong Kong elite sports sector.

58 To further nurture elite sports talents, we have identified opportunities for improvement in the stewardship of the National Sports Associations (NSAs), especially concerning athlete selection for competitions and the tier categorization of sports memberships. For example, the current three-tier membership system of the Swimming Association prioritizes administrative status over individual performance, creating barriers for talented swimmers and hindering their participation in key competitions.²⁵ It is imperative to enhance standards across various areas to align with global benchmarks and develop a comprehensive support system for elite sports in Hong Kong. Therefore, AmCham suggests the following actions:

- Enhance transparency in application procedures by establishing standardized digital platforms for all applications, mandating public disclosure of selection criteria and timelines, and creating independent oversight mechanisms to ensure fairness and accountability.

Tourism

59 After the challenging four years of the pandemic, AmCham is pleased to see the Government's recent efforts to effectively leverage a series of mega events to attract overseas visitors. Furthermore, with the announcement of the nine major tourism projects by the city's working group, which is focused on developing tourist hotspots²⁶, we are enthusiastic about the prospects for Hong Kong's Retail, Hospitality, and Tourism sectors.

60 This chapter will focus on the following five actions:

- Set Out Clear Direction and Strategies for Hong Kong Tourism Stakeholders
- Elevate Hong Kong's Global Appeal as Asia's 'One-stop Shop' for Culture and Entertainment
- Improve Arrival Experience to Optimize Visitors' Satisfaction
- Improve the Kai Tak Infrastructure to Attract Potential Short Travelers from Cruisecations
- Streamline the Process of Setting Up the *Al Fresco* Harborfront Restaurants

Set Out clear Direction and Strategies for Hong Kong Tourism Stakeholders

61 AmCham recognizes the Government's commitment to revamping Hong Kong's tourism landscape as demonstrated in the Development Blueprint for Hong Kong's Tourism Industry 2.0. For example, introducing innovative tourism products and experiences that showcase Hong Kong's unique characteristics such as city walking routes is commendable.²⁷ Nevertheless, the Chamber believes that a clear direction and unified strategy to promote Hong Kong to the world, along with regular updates for stakeholders in the industry, is currently absent.

62 Overseas tourists have left Hong Kong with a mixed impression in recent years, and new generations of travel agents may not fully appreciate the city's former charms. Meanwhile, seasoned travel agents, who are nearing

²⁵ Sportsroad. (2024, July 29). 方力申泳總風波 | 泳總唔方力申允改善屬會及上訴機制. <https://www.sportsroad.hk/archives/491940/方力申泳總風波|泳總唔方力申允改善屬會及上訴/>

²⁶ The State Council of the People's Republic of China. (2024, May 21). HKSAR gov't launches 9 major tourism projects. https://english.www.gov.cn/news/202505/21/content_WS682d2b6fc6d0868f4e8f2b5d.htm

²⁷ Culture, Sports and Tourism Bureau. (2024, December). 香港旅遊業發展藍圖 2.0 (Tourism Blueprint 2.0) [Chinese]. https://www.cstb.gov.hk/file_manager/tc/documents/consultation-and-publications/Tourism_Blueprint_2.0_Chinese.pdf

retirement, possess invaluable insights into what once attracted visitors. It is essential to refresh the perspectives of new agents so they can effectively communicate Hong Kong's unique appeal.

63 Therefore, the Government may consider:

- Urge the HKTb to provide the industry players with clear strategies, including actionable proposals, specific directions, and timelines, to foster a shared vision and achieve concrete goals within the tourism community. Additionally, the HKTb should engage public relations professionals and industry experts to bring fresh perspectives to the promotion and implementation of mega events.
- Collaborate with key influencers, such as travel YouTubers & TikTokers, to create innovative promotion materials, like Instagram Reels, to promote Hong Kong's unique travel experiences to the broader global audience.

64 AmCham appreciates the Government's emphasis on the concept of "tourism is everywhere", as demonstrated by the promotion of distinctive tourism products such as eco-tourism, panda tourism, and horse-racing tourism.²⁸ The allocation of \$1,235 million to the HKTb for collaboration with international brands to share the Hong Kong stories is exemplary.

65 However, the effectiveness of this approach in attracting overseas visitors to Hong Kong is questionable, as the city's uniqueness has not been adequately conveyed. Therefore, AmCham suggests that:

- Adopt a more strategic approach to showcase the distinctive charms of Hong Kong, that are irreplaceable by other regions worldwide, in promotional campaigns. By developing a more specific and targeted narrative, the message can be strengthened, ultimately yielding increased visits.
- Adopt **"The Great Outdoors of Hong Kong"**, including the world-famous hiking trails, as a central component of Hong Kong's tourism strategy by highlighting the city's unique natural attractions that are easily accessible. To support this initiative, enhance crowd control and logistics at these sites to ensure safe, enjoyable, and sustainable experiences for both local residents and international visitors.

66 The Chamber continues to see the potential of long-haul tourists following our suggestion made in the 2024 CE Policy Address submission. We suggest that the Culture, Sports and Tourism Bureau (CSTB) collaborate with HKTb in developing a strategic framework to attract long-haul travelers from North America, who often consider Hong Kong as one of the most attractive Asian destinations. To this end, the Chamber proposes:

- Regularly conducting seminars for frontline tourism stakeholders, such as tour guides and travel agents, to update them on the latest advancements in Hong Kong's tourism industry and newly established attractions. This will ensure they are equipped to promote Hong Kong's current offerings, rather than relying on outdated tourism information.

Elevate Hong Kong's Global Appeal as Asia's 'One-stop Shop' for Culture and Entertainment

67 AmCham acknowledges the surge in visitor numbers following a series of mega events, such as the Coldplay World Tour and the Rugby Sevens, which have attracted over 840,000 visitors to Hong Kong.²⁹ However, fierce competition within the region should not be overlooked. The Singapore Government has signed exclusive contracts with renowned artists like Lady Gaga. Moreover, during Taylor Swift's concert week, passenger traffic at Changi Airport saw a 20% increase compared to the same period in 2023, driven by concert-goers.³⁰ On the other hand, Tokyo has doubled-down on showcasing features that make the city unique (e.g. dense, walkable districts) in an effort to promote experiences which allow tourists to experience in the same way as residents.³¹ Notably, Japan

²⁸ GovHK. (2025). Budget Speech: Tourism Industry. <https://www.budget.gov.hk/2025/eng/budget16.html>

²⁹ Hong Kong Business. (2024, May 13). HK to host over 90 mega events in H1 2025. <https://hongkongbusiness.hk/hotels-tourism/news/hk-host-over-90-mega-events-in-h1-2025>

³⁰ Pulungan, F. (2025, January 8). Swiftonomics in Singapore. Michigan Journal of Economics. <https://sites.lsa.umich.edu/mje/2025/01/08/swiftonomics-in-singapore/>

³¹ Wong, M. (2024, June 7). Forget night vibes, Hong Kong needs tourism lessons from Singapore, Tokyo and Seoul. South China Morning Post. <https://www.scmp.com/week-asia/opinion/article/3290721/forget-night-vibes-hong-kong-needs-tourism-lessons-singapore-tokyo-and-seoul>

exceeded the 10 million visitor mark by March 2025, its fastest pace ever, and its overall tourism numbers for the year are expected to eclipse previous all-time highs such as 36.87 million in 2024.³²

68 AmCham believes that the lack of long-term and effective promotion strategies, which could highlight Hong Kong's comparative advantages relative to other Asian cities such as Singapore, Tokyo, and Seoul, along with outdated ticketing infrastructure, remains a key issues hindering the development of the city's tourism industry. The recent "Hello Hong Kong" campaign has sparked discussions about the need for fresh promotional elements. To further bolster Hong Kong's appeal in the competitive Asian market, the chamber recommends that the Government:

- Leverage the hospitality industry and Online Travel Agencies (OTAs) to promote Hong Kong as a 'one-stop shop' for cultural immersion, shopping, culinary, and unique multi-night stays to bolster number of diverse international visitors to the city
- Collaborate with esteemed local entertainment groups, such as the Hong Kong Ballet, which is currently on a world tour, receiving global audiences, to captivate and attract tourists
- Elevate the international visibility of Hong Kong's vibrant medium events, such as the Soccer Sevens, to reinforce the city's reputation as a premier events hub.
- Establish support groups with industry representatives to explore subsidies for promotional initiatives, such as bundle packages or additional travel miles for hotel and event organizers, to incentivize overseas visitors to visit Hong Kong. One prominent example is the Tourism Product Development Scheme implemented by the Singapore Government to foster high-quality and innovative tourism experiences.
- Review regulations governing public-owned venues to allow arts and sports organizations to sell refreshments during performance intermissions, enhancing fundraising opportunities

Improve Arrival Experience to Optimize Visitor Satisfaction

69 Hong Kong has long been a popular travel destination. However, it is observed that the arrival experience for tourists has deteriorated. Rather than showcasing the city's unique charms, the visual landscape at major entry points is often dominated by instructional messages aimed at locals, such as public health campaigns or cancer prevention. To leave tourists with a welcoming and positive impression of Hong Kong, AmCham urges the Government to:

- Replace the current messages in airport arrival halls and cross-harbor tunnels with displays that highlight Hong Kong's diverse tourism offerings, cultural landmarks, and signature experiences. By prioritizing visually engaging tourism promotions over informative content, Hong Kong can create a more welcoming and pleasant environment for visitors throughout their stay.

Improve the Kai Tak Infrastructure to Attract Potential Short Travelers from Cruisecations

70 AmCham appreciates the Government's plans to revamp and better utilize the Kai Tak Terminal infrastructure. However, the terminal's inadequate connection to downtown and limited dining and shopping options hinders the growth of cruise tourism in Hong Kong. For example, passengers faced long waits—up to 45 minutes—for taxis or buses after arriving on their cruise ships in Hong Kong.³³ To better promote Hong Kong as Asia's cruise hub, AmCham suggests that the Government to:

- Establish a comprehensive and convenient transportation system that connects the terminal to downtown, which includes the establishment of dedicated taxi fleets. Additionally, introduce direct shuttle services to nearby attractions, such as Wong Tai Sin Temple and Kowloon City's food district, as well as express ferries to Central.
- Increase the number of restaurants and shops in the terminal to cater to a broader range of visitors.

³² Reuters. (2025, April 16). Japan crosses 10 million visitors through March in fastest-ever pace. <https://www.reuters.com/world/asia-pacific/japan-crosses-10-million-visitors-through-march-fastest-ever-pace-2025-04-16/>

³³ Choy, G. (2023, August 28). New transport set up at Hong Kong's Kai Tak Cruise Terminal helps passengers reach city center faster. South China Morning Post. <https://www.scmp.com/news/hong-kong/transport/article/3231784/new-transport-set-hong-kongs-kai-tak-cruise-terminal-helps-passengers-reach-city-center-faster>

- Expedite the development of Kai Tak Smart and Green Mass Transit System (Kai Tak Monorail)³⁴, which connects Kai Tak Terminal and Kai Tak Station, addressing the issue of a lack of direct train access at the terminal.

Streamline the Process of Setting Up the *Al Fresco* Harborfront Restaurants

- 71 Hong Kong is renowned for its spectacular neon lights and skyscrapers that illuminate the night sky, with the Avenue of Stars offering stunning views of the harbor. This iconic promenade plays a crucial role in the city's tourism by celebrating its rich cinematic heritage and attracting visitors with vibrant cultural events, film festivals, and exhibitions.
- 72 To enhance this iconic attraction further, AmCham suggests:
- Extend the Avenue of Stars to connect West Kowloon with the Kai Tak Stadium to extend pedestrians traffic in days of major events. This extension would not only facilitate pedestrian traffic during major events, but also create an unparalleled urban scenic waterfront
- 73 AmCham believes that establishing waterfront dining facilities that combine local and international cuisines will optimize the tourist experience, as they are increasingly motivated to seek immersive and authentic experiences. However, the sluggish and complicated process of establishing *al fresco* Harborfront restaurants frequently serves as a barrier to introducing new attractions and discourages new entrants. Therefore, we urge the Government to:
- Streamline the administrative and application procedures for service providers to ensure a swift activation of new attractions, keeping Hong Kong's tourism offerings fresh and competitive

³⁴ GovHK. (2023, December 12). 政務司司長出席公共交通服務提升計劃啟動禮致辭全文 (Chinese). https://www.tlb.gov.hk/tc/psp/pressreleases/transport/2023/20231212b_c.pdf

4. Education

- 74 Hong Kong’s long-standing reputation as an education powerhouse continues to this day, and the Government has embraced Hong Kong’s potential of becoming a leading international education hub. The region boasts exceptional academic standards and a wealth of young, nurtured talents, with students exceeding OECD averages for mathematics, reading and science in the latest Program for International Student Assessment (PISA).³⁵ However, Hong Kong students demonstrate weakness in soft skills such as creative thinking, having scored “significantly below the OECD average” in the PISA for generating creative ideas, visual and written expression as well as scientific problem solving.³⁶ It is also worth noting that Hong Kong’s English proficiency has declined relative to that of other Asian countries in recent years.³⁷
- 75 As soft and language-based skills such as creativity and English proficiency increasingly determine competitiveness within the global workforce, AmCham finds it more imperative than ever to enhance the capabilities of our youth at all levels of education. To create a leading international education hub, it is key to expand upon the availability and autonomy of international schools, which adopt more holistic, diverse and “out-of-the-box” curricula and pedagogy. AmCham also calls for the Education Bureau (EDB) to increase the comprehensiveness of English learning programs and assessments offered at pre-tertiary levels. These strategies will be able to raise the suitability of Hong Kong candidates for employment in multinational firms and strengthen Hong Kong’s overall position as a leading international nexus of education and business.
- 76 This chapter will focus on the following recommendations to the Government:
- Incorporate a Pre-tertiary Focus in Strategizing Hong Kong as an “International Education Hub”
 - Strengthen Curriculum Diversity in Pre-tertiary Education
 - Enhance the English Proficiency of Pre-tertiary Students
 - Increase the Governance and Autonomy of International Schools
 - Reform the IISD into a High-level International Education Office
 - Increase STEM Opportunities for Female Students

Incorporate a Pre-tertiary Focus in Strategizing Hong Kong as an “International Education Hub”

- 77 AmCham commends the Government for strategizing Hong Kong as an “International Education Hub” and its concerted efforts at branding Hong Kong as a world-class destination for tertiary education, facilitating international academic exchange and improving the availability and quality of student accommodation.³⁸ The Chamber further calls on the Government to incorporate a pre-tertiary focus within the scope of this strategy. This appeals especially to foreign professionals across all stages of their careers and allows for the talent attraction and retention necessary to consolidate Hong Kong’s overall commercial growth. Thus, AmCham encourages the Government to **adopt the same “International Education Hub” strategy for pre-tertiary education**, with recommendations as follows:
- Extend the “Study in Hong Kong” brand to pre-tertiary education, particularly shedding light on the comprehensiveness of international schooling in Hong Kong.
 - Create opportunities for more international student exchanges at a pre-tertiary level.

Strengthen Curriculum Diversity in Pre-tertiary Education

- 78 AmCham appreciates the wealth of local and non-local curricula offered across Hong Kong’s education scene and hopes for continued Government endorsement in this respect. A more extensive choice of curricula is essential to accommodate diverse student needs across local middle-class families seeking international schooling options and expatriate populations, among others. These needs, if sufficiently addressed, will contribute immensely to the

³⁵ OECD. (2023). PISA 2022 Results (Volume I and II) – Country Notes: Hong Kong (China). https://www.oecd.org/en/publications/pisa-2022-results-volume-i-and-ii-country-notes_ed6fbcc5-en/hong-kong-china_0243d723-en.html

³⁶ OECD. (2024). PISA 2022 Results (Volume III): Creative Minds, Creative Schools. https://www.oecd.org/en/publications/pisa-2022-results-volume-iii_765ee8c2-en.html

³⁷ Education First. (2024). EF English Proficiency Index 2024. <https://www.ef.com/assetscdn/WIBIwq6RdJvcD9bc8RMd/cefcom-epi-site/reports/2024/ef-epi-2024-english.pdf>

³⁸ GovHK. (2024, October 16). The Chief Executive’s 2024 Policy Address: Promoting Development of an International Hub for Post-secondary Education. <https://www.policyaddress.gov.hk/2024/en/p108.html>

Government's current strategy of talent attraction and retention. Therefore, AmCham recommends that the Government:

- Encourage schools to expand upon their choices of curricula.
- Consider a wide range of curricula when approving the registration of new international and private independent schools (PISs), as well as additional non-local curricula in publicly funded schools.

Enhance the English Proficiency of Pre-tertiary Students

79

The 2024 EF English Proficiency Index classifies Hong Kong's English proficiency as "moderate", and Hong Kong now ranks behind other Asian countries such as Singapore (ranked third globally), the Philippines and Malaysia in English proficiency.³⁹ Seeing as English continues to be globally recognized as a de facto universal language, a decline in the English proficiency of students will undermine not only their competitiveness in the global workforce, but also Hong Kong's standing as a world-class destination for education. AmCham calls for the EDB to address this issue by reforming the execution of its current "biliterate and trilingual" language education policy.⁴⁰ It is encouraged that the Government:

- **Subsidize the private sector in provisions of out-of-classroom English Language education programs.** The EDB may consider subsidizing or partnering with private tuition centers and institutions offering alternative English Language programs, ranging from conversational English to English drama or public speaking courses. The EDB may also encourage cross-collaboration between private education centers and the public sector with the provisions of these programs. The above measures can widen the availability of super-curricular English learning programs to local pre-tertiary students and further enhance their proficiency in English.
- **Increase the quota for Native-speaking English Teachers (NETs) posts and hiring of NETs in public sector schools.** The current NET Scheme only provides one NET post for schools with over six or more classes. It was reported that in the 2023/24 school year, a NET took up about 20 lessons per week on average; this is inadequate to provide an authentic English learning environment in most public sector schools, where the average number of classes ranges from 24 to 30.⁴¹ This shortage of NETs can be addressed by increasing the quota of NET posts in public sector schools. The new quota enables schools to hire more NETs, and the subsequent increase in manpower and relevant expertise can help enhance the quality of in-school English Language programs.
- **Encourage schools under the NET Scheme to exercise more flexibility in the deployment of NETs.** Reports show that NETs are primarily responsible for reading and speaking classes, and only 20% and 10% of primary and secondary NETs teach "other classes" such as drama, debate and phonics respectively.⁴² This results in many NETs teaching the local academic English syllabus rather than utilizing their expertise in other non-academic English learning programs. The EDB may advise schools to deploy more of their NET resources on alternative forms of English learning, such as the conversational, practical and creative uses of English. This allows for a holistic enhancement of English proficiency levels among local school students.
- **Establish universal metrics on English proficiency levels for all graduating pre-tertiary students.** The EDB may encourage graduating secondary school students across local and private schools to take universal English testing assessments such as the International English Language Testing System (IELTS) and the Test of English as a Foreign Language (TOEFL). This will ensure regular reporting and assessment of students' proficiency in English, which will make room for timely adjustments to broader strategies and allow Hong Kong's education sector to better align with international English standards. In line with this policy, the Government could also include these assessments in its hiring practices for civil servants, ensuring that their English proficiency meets international standards.

³⁹ Education First. (2024). EF English Proficiency Index 2024. <https://www.ef.com/assetscdn/WIBIwq6RdJvcD9bc8RMd/cefcom-epi-site/reports/2024/ef-epi-2024-english.pdf>

⁴⁰ Education Bureau. (2014, April 10). Language Learning Support – Feature Article. <https://www.edb.gov.hk/en/edu-system/primary-secondary/applicable-to-primary-secondary/sbss/language-learning-support/featurearticle.html>

⁴¹ Education Bureau. (2025, March 31). Legislative Council Panel on Education: Enhancing the Implementation of the Native-speaking English Teacher Scheme. <https://www.legco.gov.hk/yr2025/english/panels/ed/papers/ed20250331cb3-385-2-e.pdf>;

⁴² Ibid.

Increase the Governance and Autonomy of International Schools

- 80 The private and international school sectors, which currently make up approximately 8% and 6% of Hong Kong's total student enrolment in the 2024/25 school year, are an essential asset to Hong Kong's education landscape.⁴³ International schools and internationalized private schools offering non-local curricula, appeal to the educational needs of both local and international families as they deliver a broad range of education options from early childhood to secondary and are integral to sustaining broader policy goals of talent attraction and retention. Enabling greater autonomy within the governance of international schools will give the international school sector a competitive edge that, if appropriately leveraged, consolidates Hong Kong's position as a world-class education and commercial center.
- 81 A key concern shared by our members points to the regulatory constraints posed by the Education Ordinance & Regulations (Cap. 279 & 279A) on pre-tertiary institutions. The Ordinance & Regulations, which make little differentiation between private and publicly funded schools and requires prior governmental approval to any operational or curricular adjustments, imposes stringent regulations on student enrolment, registration and terms of lease among many others, while exemptions to fee-charging have also become more difficult to obtain. These regulations obstruct international schools from reaching their full potential, result in a mismatch between talent needs and education options and downplay the regional competitiveness of the sector for investment. AmCham suggests that the Government consider **exempting international schools from Regulation 61 of the Education Ordinance or creating a pre-tertiary Ordinance for schools practicing non-local curricula, with a similar structure to that of Cap. 493.** The Chamber also advises the Government to **modify certain regulations on the registration and operational procedures of these schools** as follows:
- **Terms of Land Lease:** The EDB generally limits terms of land lease to 10 years from commencement for most international schools, followed by successive five-year terms thereafter, with the renewal process beginning 15 months prior to the end of lease.⁴⁴ **AmCham encourages the Government to consider extending the terms of lease for international schools** and streamlining application or renewal procedures. It may be beneficial to reference land lease policies for other forms of non-profit organizations when modifying these policies. This policy change will be more attractive and flexible as it enables School Operators to respond effectively to international market needs and encourages further investment in the international school sector.
 - **Service Agreements:** The terms and conditions spelled out in most short-term Service Agreements (SAs) constrain School Operators from responding to evolving market demands, as they cannot be modified nor negotiated once signed. **The Chamber recommends that the EDB allow schools liable to SAs with the Government to eliminate all student/ curriculum restrictions, or, if not possible, modify these elements of their SAs without approval.** This will enable changes to Development plans based on timely measurements of current private and international school needs, allowing schools to meet existing demands in provisions of land and relevant facilities.
 - **Enrolment Requirements for International Schools:** The current quota for enrolment in international schools, which has been in force since 2009, stands at 30% for local passport holders. This quota policy may pose as inflexible as it cannot effectively respond to current trends in student enrolment: a Policy 21 report dated January 2024 projected that the percentage of secondary school non-local students would decrease from 65.2% in 2023/24 to 54.9% in 2028/29, likely due to the ongoing outflow of expatriates and foreign talents.⁴⁵ This implies that international schools must already reduce the number of largely middle class students with local passports by 5% in order to comply with this policy, and does not address the rising demands of local talents for international schooling for their children, resulting in the exodus of these populations in search of international school markets elsewhere. AmCham encourages the Government to consider the following policies, which can ensure that **current enrolment trends in the international school sector are met with adequate enrolment capacities:**

⁴³ Education Bureau. (2025, July). Student Enrolment Statistics, 2024/25. https://www.edb.gov.hk/attachment/en/about-edb/publications-stat/figures/Enrol_2024.pdf

⁴⁴ Education Bureau. (2008, December 24). Legislative Council Brief: Provision of Boarding Facilities for Non-local Students in International Schools and Local Schools. <https://www.legco.gov.hk/yr08-09/english/panels/ed/papers/ed0416-edbiis108-e.pdf>

⁴⁵ Policy 21 Limited. (2024, January). Study on the Provision of International School Places in Hong Kong. [https://www.edb.gov.hk/attachment/en/about-edb/publications-stat/research-report-abstracts/Study%20on%20the%20Provision%20of%20International%20School%20Places%20in%20Hong%20Kong%20\(January%202024\).pdf](https://www.edb.gov.hk/attachment/en/about-edb/publications-stat/research-report-abstracts/Study%20on%20the%20Provision%20of%20International%20School%20Places%20in%20Hong%20Kong%20(January%202024).pdf)

- Relax quota restrictions on the enrolment of local passport holders in international schools.
- Increase the number of school places in international schools.
- **Hiring of Non-Local Teachers:** AmCham is aware that current immigration practices require “permission for Employment in Principle” from the EDB prior to granting employment Visas to Mainland Chinese native-speaking teachers. This effectively creates a quota for Mainland Chinese native-speaking teachers, whose expertise is highly needed for a holistic, multilingual language education in international schools. Therefore, AmCham would highly encourage for **this quota to be eliminated**.
- **Registration of Teachers with Alternative Credentials:** “Modern” credentials such as makerspace or project-based learning training are currently not recognized by the Hong Kong Council of Academic Accreditation and Vocational Qualifications (HKCAAVQ). This has resulted in schools being unable to register teachers with these qualifications. AmCham encourages the EDB to **support hiring such teachers or encourage the HKCAAVQ to re-evaluate and widen its range of recognized teaching credentials**. This will enable schools to adopt innovative approaches in classroom learning and equip students with a comprehensive range of soft skills and technological knowledge.
- **Principal Registration:** The Education Ordinance requires appointment of a single principal for an entire school. International schools, however, typically have multiple sections with one principal for each section; this results in the inability of many international schools to register a single principal with the EDB. AmCham recommends that the EDB consider creating a **new principal registration mechanism for international schools that allows for the appointment of multiple principals according to different points of primary and secondary education**.

82 In addition to operational and administrative matters, there is a need for international schools to adopt more flexible, market-driven mechanisms with respect to financial activities such as the collection of school fees, Capital acquisitions and private investment. This will enable the sector to compete on a level playing field with other international school markets in the Asia-Pacific. AmCham continues to advocate for the **relaxation of regulatory oversight over the financial governance of international schools** and suggests the following policies to the Government:

- **Collection of School Fees (Cap 279A, Regulation 61):** Currently, all schools registered after 2001, with the exemption of only two international schools with allocated sites, are required to follow the local school practice of charging fees by month rather than by term. **AmCham encourages the EDB to make exemptions for international schools from the general monthly fee-charging practice**; this will allow for higher levels of flexibility for international schools in financial governance and greater adherence to global international education standards.
- **Private Investment:** Current EDB policies mandate international schools to obtain legal sign-off for Capital acquisition and restrict their uses of Other Charges only to one-off capital expenditure.⁴⁶ This undermines the competitiveness of Hong Kong’s international school sector as it eliminates the “buy and rent back” mechanism typical across other international school markets. AmCham encourages the **relaxation of these regulations or other red-tape-cutting measures** that enable more efficient mobilizations of private investment across the sector. These market-driven mechanisms make up for existing regulatory constraints and can ensure that Hong Kong remains an attractive destination for international schooling and commercial investment.

Establish a High-level International Education Office

83 AmCham appreciates the establishment of the EDB Infrastructure, International Schools and Statistics Division (IISSD), which has streamlined regulatory procedures by unifying most international schools under one regulator. However, the IISSD primarily functions to regulate infrastructure, operations and policy across both local, private and international schools and, thus, tends to prioritize the needs of the much larger local school sector. The IISSD also

⁴⁶ Kutlaca, I., Lau, L., Fung, B. (2024, May 20). Applications Due Soon under the EDB’s New Mechanism for Approval of International School Debentures and “Other Charges”. King & Wood Mallesons. <https://www.kwm.com/hk/en/insights/latest-thinking/publication/applications-due-soon-under-the-edbs-new-mechanism-for-approval-of-International-school-debentures.html>

does not regulate the pre-primary “Nursery” and/or “Kindergarten” sections of international or private through-train schools in Hong Kong, which remain under the EDB Regional Education Offices, creating sustained confusion for these institutions. Thus, the IISD does not effectively consider nor communicate the needs of international schools, and its inadequacy in this respect creates a need to establish a **high-level International Education Office**. This Office not only promotes organizations offering non-local curricula for all ages, but also effectively represents the interests of the international community and supports Hong Kong’s role as an international financial center through education, with the following primary functions:

- **Engagement with international industry experts** by absorbing them into relevant decision-making processes within the office and allowing these individuals to work with international companies and chambers in deriving market information, stakeholder input and industry expertise, as well as setting Key Performance Indicators for talent attraction, retention and school capacities.
- **Maintaining close relations with various Government Bureaus** such as the EDB, Lands Department and Immigration Department to effectively communicate the needs of the international school sector in enhancing current regulatory practices. The office may also set education-specific targets with relevant Government offices such as the Office for Attracting Strategic Enterprises and Talent Engage Office to better situate the international school community within broader Government strategies of talent attraction and retention.

Increase STEM Opportunities for Female Students

84 AmCham recognizes that the Hong Kong Government actively strives to develop STEM education to fuel Hong Kong’s growing science and technology sector. However, initiatives thus far have largely been gender-neutral, failing to address the issue of low female participation rates in this sector. This can be reflected by the disparity between male and female students in selecting STEM-related subjects at secondary and tertiary education levels.⁴⁷ To support Hong Kong’s developing growth as a technology hub, STEM education efforts should focus on all genders to optimally utilize Hong Kong’s talent pool.

85 However, in the private sector, various initiatives have acknowledged this systematic inequity and strived to create change. These private sector efforts provide a model for the Government to amend current policy initiatives and launch similar public-supported programs to boost female participation in STEM.

86 Therefore, AmCham encourages the government to:

- Proactively implement STEM education programs tailored to women, beginning from the secondary level of education. Additionally, creating STEM-focused scholarships specifically for girls and women would encourage their pursuit of STEM careers, while also fueling Hong Kong’s labor force to become equipped as a technological hub.

⁴⁷ Equal Opportunities Commission. (2021, August). Gender Equality in Hong Kong.
<https://www.eoc.org.hk/EOC/Upload/DiscriminationLaws/OtherResources/Gender%20Equality-Eng%20%28Aug%202021%29.pdf>

5. Environment & Ecology

- 87 The long-term prosperity of Hong Kong's economy and society is fundamentally tied to the city's physical environment and its ability to adapt to the accelerating impacts of climate change. What may have once been considered a peripheral issue must now exist at the forefront of the decision-making in government, industry, and daily life.
- 88 The Chamber appreciates the Government's progress in this space. The buildout of green finance infrastructure and the long-term goals outlined in the Climate Action Plan 2050 have played a key role in positioning Hong Kong as a leading sustainable business hub on the global stage. However, gaps remain in enforcement, coordination, and real-economy application. Effectively addressing these challenges is synonymous with Hong Kong's competitiveness, resilience, and liveability in the years ahead.
- 89 This chapter outlines key areas where targeted action can strengthen Hong Kong's position as a global leader in sustainability, particularly:
- Decarbonizing Energy, Buildings, and the Transport Sectors
 - Environment
 - Municipal Solid Waste Charging
 - Nature
 - The Register of Old and Valuable Trees
 - The Physical Risks of Climate Change

Decarbonizing Energy, Buildings and the Transport Sectors

Electricity Supply

- 90 Hong Kong has committed to achieving 50% cuts in carbon emissions before 2035 and complete carbon neutrality by 2050, as outlined in Hong Kong's Climate Action Plan 2050. Since peaking in 2014, Hong Kong's total greenhouse gas emissions have declined by 25%, largely due to the transition from coal-fired energy to natural gas in electricity generation.⁴⁸ It is important to phase-out coal-fired electricity generation in Hong Kong and collaborate with neighboring regions to ensure a stable and long-term supply of clean energy. This includes:
- The sourcing of nuclear power from the Daya Bay Nuclear Power Station. Currently, nuclear power imported from the Daya Bay Power Station in Guangdong Province supplies approximately one-quarter of Hong Kong's electricity needs. This arrangement has proven effective, providing the city with a stable supply of clean energy and supporting its decarbonization goals.
 - A clear and actionable timeline is recommended to be set to ensure progress towards the 2035 decarbonization targets as set out in Hong Kong's Climate Action Plan 2050. This will provide the necessary policy certainty for businesses to manage their emissions and contribute to Hong Kong's broader climate objectives.

Buildings

- 91 As an international financial and services hub, Hong Kong's building sector accounts for approximately 90% of the city's electricity consumption.⁴⁹ Improving the energy efficiency and carbon performance of both existing and new buildings is therefore critical to reducing electricity demand, lowering decarbonization costs, and achieving the city's climate targets. Therefore, the Chamber proposes that the Government:
- Consider introducing policies or incentives to promote the measurement and disclosure of embodied carbon in new buildings, ensuring greater transparency in construction practices. As Hong Kong undertakes major

⁴⁸ Zhan, W. (2025, April 17). HK Reports 25% Fall in Greenhouse Gas Emissions from 2014 Peak. China Daily HK. <https://www.chinadailyhk.com/hk/article/609772>.

⁴⁹ Hong Kong Green Building Council. (2023). Introduction. <https://zcrbc.hkgbc.org.hk/pages/introduction>.

development projects – particularly in the Northern Metropolis – it is also recommended that the public tenders include requirements for low-carbon materials to stimulate market demand and generate positive spillover effects across the broader construction industry.

- Establish a centralized database for benchmarking the energy performance of different types of premises to unlock more energy savings in existing buildings. Such transparency would not only incentivize improvements in building energy efficiency but also encourage meaningful landlord-tenant collaboration, ultimately contributing to significant reductions in energy consumption and carbon emissions.
- Recognize cloud computing as a proven technology for achieving decarbonization targets and formally integrate cloud strategy into Hong Kong's Climate Action Plan 2025 to be updated. Please refer to Chapter 9 Innovation, Technology and Industry for more details.

Transport

92 Hong Kong has seen a rapid increase in the adoption of electric private vehicles, support by measures such as First Registration Tax concessions and the expansion of public charging infrastructure.⁵⁰ To maintain this momentum, the Government should:

- Continue offering targeted incentives for private EV ownership, including tax benefits, parking privileges, and streamlined registration processes. These measures will help sustain the transition toward zero vehicular emissions by 2050, as outlined in the Hong Kong Roadmap on Popularization of Electric Vehicles.

93 While private EV adoption is progressing well, commercial vehicle electrification remains in its early stages. The Government should consider developing a comprehensive roadmap for commercial EVs, including timelines, technical standards, and financial support mechanisms. This roadmap should address the unique operational needs of goods vehicles, public light buses, and fleet operators.

- **Taxis:** Building on the Green Transformation Roadmap for Public Buses and Taxis, which includes subsidies for 3,000 eTaxis, the Government should begin articulating a long-term policy direction for full taxi fleet electrification. This includes infrastructure planning, vehicle replacement incentives, and coordination with taxi operators.
- **Mini-Buses:** To accelerate the electrification of public light buses, an inter-departmental EV taskforce should be established. This taskforce would coordinate the installation of EV chargers at existing Public Transport Interchanges, streamline regulatory approvals, and ensure alignment across transport, planning, and environmental departments.
- **Fleet Operators:** In light of the Government's proposed regulatory framework on ride-hailing, it is encouraged that fleet and ride-hailing operators also be incorporated into the scope of the roadmap. Facilitating electrification procedures for all commercial vehicles will contribute to a diverse, vibrant and environmentally friendly transport ecosystem as advocated in the Transport & Logistics section.
- **EV Chargers:** The roadmap should place greater emphasis on increasing the availability of EV chargers in public spaces. New, accessible "one-stop" public charging points will encourage greater usage among existing vehicle operators, consolidate existing EV charging networks and ensure commercial EV growth.

94 With the development of Hong Kong's new urban areas like the Northern Metropolis, there is a strategic opportunity to embed electric mobility into the planning framework from the outset. The Government should:

- Adopt integrated transport planning that includes early engagement with planners, developers, utilities, and transport operators. This approach will ensure that EV infrastructure, such as charging stations and maintenance facilities, is built into the design of new communities, supporting seamless and sustainable mobility.

⁵⁰ Liberty International Insurance Limited. (2025). Things to Know About Driving Electric Vehicles in Hong Kong. <https://www.libertyinsurance.com.hk/insuremytesla/blogpost02/things-to-know-about-driving-ev-in-hk>.

Environment

Recycling

95 Figures show that Hong Kong's recycling rate currently stands at 33% for Municipal Solid Waste.⁵¹ Various gaps in the city's recycling infrastructure persist and damage Hong Kong's ability to develop as a leader of sustainability in the region. To promote residential recycling habits, the Chamber recommends that the Government:

- Automate the installation of recycling bins in residential estates instead of mandating that households request bins from the Government.

96 Inaccessibility is one of the main factors at the heart of insufficient recycling rates in Hong Kong. Local textile recycling systems are extremely underdeveloped and receive limited coverage, resulting in a textile recycling rate as low as 11%.⁵² Existing collection points, often operated by NGOs, are small in scale and difficult to locate. Without significant government infrastructure, this stream of avoidable waste will continue to multiply. We urge the Government to:

- Increase the number and visibility of textile waste collection points, especially to residential communities. Consider expanding the Green@Community program to also include the recycling of textiles.
- Introduce tax incentives or subsidies for clothing brands that adopt circular business models to encourage sustainable production and reduce textile waste. Brands could also be required to publicly disclose their circularity efforts to ensure transparency and accountability.
- Publicly promote textile recycling as a sustainable alternative to waste to strengthen public engagement and raise awareness.

Food Waste

97 Food waste constitutes the largest category of Municipal Solid Waste, with 11,130 tons disposed each day.⁵³ The Chamber appreciates the Government's commitment to installing food waste collection bins to many public housing estates.⁵⁴ However, private housing estates still lack coverage, and participation rates in public estates currently range 10-15% on average, with food composting still standing as a lesser-known issue.⁵⁵ To this end, AmCham recommends that the Government:

- Increase government promotion for food composting to raise awareness of the issue and enforce it as a critical contributor to environmental damage in Hong Kong. Many households in Hong Kong lack adequate knowledge regarding the existence and location of purple bins. To enable better development of food waste collection, the Government should promote food waste collection facilities and raise the awareness of the general public.
- Increase the number of collection points. Currently, the EPD has set up 76 Food Waste Recycling Spots in 15 districts and 109 Public Refuse Collection Points, aiming to collect food waste generated by restaurants and households nearby.⁵⁶ The Chamber recommends that the Government should increase the number of collection points and publicize their existence to the wider community.

⁵¹ The Standard. (2025, February 12). EPD Recycling Quantity Reaches 1.97million Tonnes after Expanding Network.

<https://www.thestandard.com.hk/hong-kong-news/article/70088/EPD-recycling-quantity-reaches-197million-tonnes-after-expanding-network>.

⁵² Chan, A. (2024, May 10). No Time to Waste': Guidebook for Retailers in Hong Kong Tackling the Municipal Solid Waste (MSW) Scheme. Redress <https://www.redress.com.hk/updates/msw-guide>.

⁵³ Environmental Protection Department. (2025, January 2). Food Waste Challenge.

https://www.epd.gov.hk/epd/english/environmentinhk/waste/prob_solutions/food_waste_challenge.html.

⁵⁴ Chan, I. (2024, April 17). Hong Kong to Speed up Food Waste Recycling in Public and Private Housing Estates Ahead of Waste Tax Rollout. Hong Kong Free Press. <https://hongkongfp.com/2024/04/17/hong-kong-to-speed-up-food-waste-recycling-in-public-and-private-housing-estates-ahead-of-waste-tax-rollout/>.

⁵⁵ GovHK. (2024, April 16). EPD Responds to Concerns Regarding Food Waste Recycling Services.

<https://www.info.gov.hk/gia/general/202404/16/P2024041600707.htm>.

⁵⁶ The Environmental Protection Department. (2025, June 4). Food Waste Recycling Schemes. <https://www.wastereduction.gov.hk/en-hk/waste-reduction-programme/food-waste-recycling-schemes>.

Plastic Ban

98 Plastic waste remains a high-priority issue. AmCham appreciates the Government’s 2023 ban on single-use plastic cutlery but notes that enforcement can be inconsistent. To ensure the effectiveness of the policy, we recommend that the Government:

- Provide specific funding for the catering and hospitality sector to transition to sustainable practices. Fledgling businesses are not financially mature enough yet to adapt to the change of mode in operation. AmCham recommends that the Government should set up a fund as a source of help to support these businesses in purchasing proper and environmentally friendly utensils to oversee the purchasing process, thus enhancing accountability mechanisms.
- Establish a standard in defining biodegradable plastics, provide funding for the development of biodegradable plastics, and set up facilities for biodegradation. As of now, Hong Kong has not recognized biodegradable plastic as a sustainable alternative to conventional plastics. We believe that the Government should invest in its development not only to align with global regulatory trends but also stimulating economic growth by fostering innovation and creating new jobs in the circular economy.

Municipal Solid Waste (MSW) Charging

99 The suspension of the MSW Charging Scheme in 2024 due to public opposition and enforcement difficulties revealed systemic challenges in Hong Kong’s recycling infrastructure and public education.⁵⁷ However, the Chamber believes that the need to incentivize waste reduction and lower landfill dependency remains urgent. The Chamber recommends that the Government:

- Reform and relaunch the Scheme with a stronger focus on affordability and public education towards the importance of recycling and composting.

Nature

100 The Hong Kong Government’s inclusion of Nature-based Solutions (NbS) in the “Updates to Hong Kong Biodiversity Strategy and Action Plan Public Consultation Document” reflects a forward-thinking approach to sustainable development. We support the Government’s intention to formulate guidelines and collaborate with industry stakeholders to develop sector-specific codes and standards for NbS as it would be essential for practical implementation.

101 This strategic integration positions Hong Kong as a regional leader in nature-positive development and sets a foundation for mobilizing public and private resources towards ecological sustainability. The Government is encouraged to continue refining these proposals into actionable policies and to ensure that NbS becomes a core component of Hong Kong’s planning, development, and conservation frameworks.

The Physical Risks of Climate Change

102 Global increases in temperature brings intense physical consequences. In Hong Kong, that means stronger and more frequent typhoons, sea-level rise, and extreme rainfall.⁵⁸ AmCham acknowledges Government efforts in this space since the record-breaking black rainstorm in September 2023, including meetings before typhoon and storm events to ensure city-wide coordinated.⁵⁹ However, further progress is needed to address sea level rise and localized flooding risks in low-lying areas of Hong Kong. Much of the city’s existing drainage and flood prevention infrastructure is still designed for 1-in-100-year events, which no longer reflect the increased frequency and intensity

⁵⁷ Cheung, E. (2024, May 27). Hong Kong Shelves Twice-Delayed Waste-Charging Scheme, with Move Welcomed by Needy but Sparking Dismay among Green Groups. South China Morning Post. <https://www.scmp.com/news/hong-kong/health-environment/article/3264234/hong-kong-suspends-twice-delayed-waste-charging-scheme-green-groups-worry-u-turn-will-harm-carbon>.

⁵⁸ Hong Kong Observatory. (2024). Climate Change in Hong Kong. https://www.hko.gov.hk/en/climate_change/climate_change_hk.htm.

⁵⁹ GovHK. (2025, July). CS Chairs Meeting of Steering Committee on Inter-Departmental Handling of Typhoons (with Photos). <https://www.info.gov.hk/gia/general/202507/18/P2025071800950.htm>.

of climate-related hazards.⁶⁰ To address these magnified physical risks of climate change, AmCham recommends that the Government:

- Review and modernize Hong Kong's flood prevention and drainage infrastructure design standards to reflect updated climate risk projections, including more extreme weather events.

⁶⁰ Ka Shun, F., et al. (2021, October 10). Build in Prevention and Preparedness to Improve Climate Resilience in Coastal Cities: Lessons from China's GBA. Science Direct. <https://www.sciencedirect.com/science/article/pii/S2590332221005388>

6. Financial Services and the Treasury

Financial Services

103 Financial services remain one of the strongest—if not the strongest—sectors in Hong Kong. The latest data by the Census and Statistics Department showed that in 2023, the financial services sector accounted for 24.9% of the city’s GDP and provided 260,100 jobs.⁶¹ This is also evident by the fact that Hong Kong continues to rank first in the Asia Pacific and third globally in the Global Financial Centers Index in 2024.⁶² The Government and AmCham share the aim of maintaining or improving Hong Kong’s ranking in the index by spearheading more programs and policies.

104 AmCham suggests the Government takes the following actions within the financial sector:

- Enhance Hong Kong’s Role as an International Financial Center and Global Super-connector
- Increase Cross-border Financial Cooperation
- Improve the Regulatory Framework for Digital Assets
- Enhance Hong Kong’s Private Wealth Management Market
- Internationally Align the Hong Kong Taxonomy and Advocate for Sustainable Practices
- Promote Positive Narratives for Hong Kong’s Financial Industry

Enhance Hong Kong’s Role as an International Financial Center and Global Super-connector

105 Undoubtedly, Hong Kong stands as Asia and the world’s financial super-connector, boasting an international gateway status. To further solidify Hong Kong’s status, *inter alia*, it is crucial for the Government to capitalize on Hong Kong’s role as a global offshore RMB business hub.

106 The key for RMB internationalization is to establish a mature offshore RMB market that can meet the RMB holding, payment, investment and financing needs of overseas enterprises and institutions. However, current challenges facing Hong Kong’s offshore RMB market include limited liquidity, insufficient product variety and low-interest rate returns; reducing the market’s willingness to use RMB offshore.

107 AmCham suggests the Government to work with Chinese authorities to increase the supply and issuance frequency of offshore RMB bonds in Hong Kong by:

- Establishing a central RMB bill/treasury bond issuance schedule to facilitate the market with planned issuance size and schedule adhered to for establishing benchmarks across various tenors spanning 3 months to 10 years and pricing mechanism based on market-driven levels.
- Issuing offshore RMB bonds with longer maturities (i.e. 5-10 years) to match the investment tenors of fund management companies and insurance companies and meet market demands.
- Including domestic bonds (including treasury bonds and policy bank bonds) held by foreign investors under Bond Connect London’s clearing house’s scope of eligible non-cash collateral or other ways to expand the use case of onshore bonds as collateral.
- Increasing trading quotas of market-making banks under Southbound Bond Connect.
- Expanding the scope of qualified investors to allow corporations and family offices to participate in investments through Bond Connect or direct investment in the interbank bond market.
- Allowing foreign investors to tap into the China Government Bonds (CGB) bond futures market.

⁶¹ Hong Kong Trade Development Council. (2025). Article on Hong Kong Business Development. https://research.hktadc.com/en/article/MzEzOTI4MDY3?ref_source=hkservices

⁶² GovHK. (2025, March 20). Hong Kong maintains third place globally with higher rating in Global Financial Centers Index. <https://www.info.gov.hk/gia/general/202503/20/P2025032000391.htm>

Increase Cross-border Financial Cooperation

- 108 The Government's current efforts to increase cross-border financial cooperation have not gone unnoticed. AmCham applauds the Government's explicit efforts to increase financial cooperation with the Mainland through ongoing work such as the development of the Greater Bay Area (GBA), the Belt and Road Initiative, and Connect Schemes.⁶³
- 109 Focusing on the Bond Connect, AmCham believes there is room to do more. The financial sector welcomes the ability to use bonds held under the Northbound Bond Connect as collateral in offshore RMB bond repurchase (repo) arrangements. However, current regulations limit the transfer of bonds to the Central Moneymarkets Unit (CMU) Repo Service system. Recent market dislocation events emphasize the need for swift liquidity management, so locking assets for limited purposes will cause liquidity fragmentation, increasing risk as well as legal, onboarding, and operational costs. A global pool of centralized management of collateral and funding would be preferable to improve connectivity to the Mainland.
- 110 To further improve cross-border financial cooperation under the Bond Connect scheme, AmCham recommends the Government:
- Enable the transfer of Northbound Bond Connect securities to global custodians and the International Central Securities Depository (ICSD) to use as collateral for offshore RMB repo arrangements and the CMU Repo Service system and integrate these securities into the global collateral pool to become eligible for initial margining, cross-currency repo or securities lending.
 - As a second phase, further expand regulations to allow Northbound Bond Connect securities to be used more broadly as collateral for securities lending. If the current regulation is amended to recognize title transfer in situations other than just a trade, this would allow for an efficient movement of collateral between the provider and receiver of collateral. In a default scenario, title transfer to a non-defaulting party should be allowed with no limitations. The current rules do not allow for title transfer other than through a trade.
- 111 Another Connect Scheme that has been crucial to the development of the financial services sector is the Cross-boundary Wealth Management Connect Scheme (WMC). The WMC has been vital in allowing greater wealth management investment connections within the Guangdong-Hong Kong-Macao GBA.
- 112 To further improve upon the WMC, we make the following suggestions:
- Relax quota restrictions to improve investor interest.
 - Enhance existing stock and bond connect programs between Hong Kong and the Mainland, focusing on low risk-averse wealth management products.
- 113 To maintain Hong Kong's role as an international financial and business center, it is essential for the Government to support and promote independent cross-border and privacy regulations. In this context, AmCham has submitted a detailed response regarding the *Protection of Critical Infrastructure (Computer System) Bill* in August 2024, advocating that its implementation should aim to facilitate the seamless flow of data and information while maintaining robust data privacy protections and security. This approach aligns with our goal of strengthening Hong Kong's competitiveness in cross-border financial operations.
- 114 In this regard, it is important to note that China's current data-related legislation and regulation, including as regards the cross-border transfer and sharing of data, poses significant operating challenges for global organizations (particularly financial institutions) when sharing information to and from their subsidiaries, customers, or counterparts in China.
- 115 To address these challenges, AmCham makes the following suggestions to the Government:
- Work with the Chinese authorities to use the GBA as a pilot site to create a cross-border data exchange platform to facilitate cross-border data transfer and sharing. One option would be to model such a platform on China UnionPay's operation and shareholding structure. This could center around participating banks providing the

⁶³ Financial Services and the Treasury Bureau. (n.d.). Financial Co-operation with the Mainland. https://www.fstb.gov.hk/fsb/en/business/policy_highlights/financial-co-operation-with-the-mainland.html

required cross-border data to be encrypted centrally on the platform. The encrypted data could be shared with intra-GBA recipients to promote more efficient and secure cross-border financial data exchanges. Such a platform would work independently of the broader data regimes on the Mainland and in Hong Kong.

- Explore the establishment of independent oversight bodies outside the People's Bank of China (PBOC) to manage cross-border data and facilitate smoother operations.
- Promote high-level discussions between stakeholders to address compliance and regulatory concerns.
- Streamline access to the PBOC credit bureau's data for Hong Kong banks via consent-based processes and digitized straight-through deliveries.

Improve Regulatory Framework for Digital Assets

116 AmCham applauds the launch of the Stablecoins Ordinance to further advance Hong Kong's regulatory framework on virtual assets. As Hong Kong's digital infrastructure rapidly evolves, regulations and the policy frameworks must keep pace with the technical infrastructure, enabling banks to integrate current banking and prudential requirements with the new digital infrastructure for accelerated industry adoption.

117 In addition, there is a need to standardize the technical infrastructure across China and its regions to create a seamless ecosystem of digital assets, allowing for a central processing engine for economic activity in the financial space, instead of having disparate systems operating independently in different regions.

118 For this reason, AmCham suggests the Government:

- Align digital initiatives with those of mainland China to ensure digital asset infrastructure, such as mBridge and Ensemble, are unified and allow for seamless connectivity and cater for all types of China's regional currencies and assets.
- Accelerate the development of local prudential regulations to enable adoption of the new digital infrastructure.

119 Whilst AmCham acknowledges the Government's intention to implement the standards of the Basel Committee on Banking Supervision (BCBS) on prudential treatment of crypto-assets⁶⁴, we note that other international financial centers, in the US, EU, UK, and Switzerland, have not indicated their implementation timeline on Basel standards, creating uncertainties.

120 Therefore, AmCham asks that the Government:

- Coordinate with other members in the BCBS to align the timeline of the Basel rules implementation
- Reconsider the timeline of local implementation against the timeline of the implementation globally to ensure international consistency.

121 Regarding regulations surrounding digital assets, AmCham suggests that the Government consider allowing crypto assets issued on public permission-less blockchains to qualify as Group 1 crypto assets, provided they meet the Basel Committee's classification conditions. Currently, there have been policy shifts in the EU and the US toward embracing public permission-less blockchain. In turn, this may alter financial regulators' attitude and potentially move the Basel Committee to a more favorable stance on the use of public blockchains by banks.

122 AmCham supports the Hong Kong Monetary Authority's (HKMA) intention to adopt a "technology-neutral approach to supervision" toward regulating Distributed Ledger Technology and the Securities & Futures Commission's regulations which allows licensed corporations to utilize public permission-less blockchain networks with proper controls.

123 We suggest the Government:

- Extends this approach to crypto assets.

⁶⁴ GovHK. (2025, July 11). Gazettal of banking amendment rules to implement Basel cryptoassets standard. <https://www.info.gov.hk/gia/general/202507/11/P2025071000787.htm>

- Engage key digital asset market players through the HKMA.
- Facilitates continuous evaluation of potential solutions and mitigants on the risks arising from the use of public blockchains.

Enhance Hong Kong's Private Wealth Management Market

- 124 The private wealth management industry is central to Hong Kong's status as an international finance hub.
- 125 To continue allowing the private wealth management market to flourish, AmCham recommends that the Government:
- Develops advanced wealth management services using technology, positioning Hong Kong as a digital and tech-driven private wealth solutions leader.
 - Streamlines application procedures for the New Capital Investment Entrant Scheme by adding clarity to documentation requirements and the requirements for eligible assets.

Internationally Align the Hong Kong Taxonomies and Advocate for Sustainable Practices

- 126 AmCham commends the Government's strategic direction in developing green finance, including the issuance of green bonds and the establishment of the Core Climate carbon trading platform. The creation of the Green and Sustainable Finance Cross-Agency Steering Group (CASG) also reflects a coordinated commitment to positioning Hong Kong as a credible hub for sustainable finance.⁶⁵ These initiatives are crucial in building the foundational infrastructure needed for Hong Kong's transition to a low-carbon economy.
- 127 However, to accelerate the net-zero transition globally requires further cooperation among local, regional and national carbon markets. Currently, there is a lack of synergy between the markets. AmCham notes that further enhancement is needed to ensure these efforts translate into meaningful real-economy impact.
- 128 Locally, while Hong Kong's carbon market is a promising initiative, its financial orientation and limited engagement with Small and Medium Enterprises (SMEs)—who make up over 98% of local businesses—present barriers to broader participation.⁶⁶
- 129 Regionally, China Certified Emissions Reductions (CCERs) presents an opportunity for Hong Kong to connect Mainland's carbon markets with Core Climate and international voluntary carbon markets. Trading channels such as Stock Connect and Bond Connect can potentially be the solutions for foreign investors to acquire CCER products. The Government should take steps in working with national and regional authorities to establish a mechanism for data exchange and sharing between the carbon markets.
- 130 Therefore, AmCham suggests that the Government:
- Encourages alignment with GBA compliance markets and determine whether to establish a connection to compliance markets in China.
 - Clarifies Hong Kong's relationship with the GBA's compliance carbon markets and China's broader national emissions trading system. As of 2025, the relationship between Hong Kong's voluntary carbon market, which is exemplified by platforms like HKEX's Core Climate, and Mainland China's regulated markets is still unclear. Currently, there is no mechanism for the mutual recognition of credits or direct trading linkages.
 - Transparently communicates Hong Kong's contribution to China's Nationally Determined Contributions (NDCs) under the Paris Agreement. Currently, it remains unclear to what extent decarbonization activities or carbon credits originating from Hong Kong are counted toward China's climate targets or reported separately.⁶⁷
 - Facilitates ESG data access by enabling data firms to obtain emissions and energy data from utilities (e.g., HK Electric, CLP) for carbon modelling and sustainability analytics.

⁶⁵ Securities and Futures Commission. (2025, February 27). Green and Sustainable Finance Cross-Agency Steering Group. <https://www.sfc.hk/en/Sustainable-finance/CASG>

⁶⁶ Hong Kong Productivity Council. (2023, March 16). HKPC Announces "Carbon Neutrality Progress and Challenges Industry Survey" Results Over 70% of Surveyed Enterprises Are Unfamiliar with Carbon Neutrality and Seek Financial and Technological Support to Achieve Low-Carbon Transformation. <https://www.hkpc.org/en/about-us/media-center/press-releases/2023/carbon-neutrality-industry-survey>

⁶⁷ WWF Hong Kong. (n.d.). Hong Kong Government Must Press On with Stronger Climate Pledges. <https://www.wwf.org.hk/en/?22220/Press-Release---Hong-Kong-Government-Must-Press-On-with-Stronger-Climate-Pledges>

- Diversifies data sources for the HKMA’s Physical Risk Assessment Platform by incorporating multiple external benchmarks and providers to ensure robustness and reduce reliance on a single vendor.

Insurance

131 Hong Kong’s insurance industry ranks top in the world, evidenced by the fact that in 2023, the insurance density and insurance penetration in Hong Kong were around US\$8,769 and 17.2%, ranking second and first among the world economics.⁶⁸ As the Government rightly recognizes, the industry is vital in driving forward economic growth. AmCham aligns itself with both the Government and the Insurance Authority (IA) in the following strategic priorities for the insurance industry: (i) maintain financial stability, (ii) promote balanced and sustainable growth, and (iii) release the social value of insurance. The Chamber is supportive of these priorities to aid the Government in developing Hong Kong into a regional insurance hub.

132 To actualize these shared aims, this chapter will focus on the following recommendations to the Government:

- Enhance Connectivity with the GBA
- Maintain an Internationally Aligned Approach to Capital Requirements
- Enhance Health Protection
- Streamline Re-domiciliation Applications

Enhance Connectivity with the GBA

133 Hong Kong’s unique status as an international financial center positions itself to be the region-wide point of connectivity in the GBA’s insurance market. AmCham commends the Government’s efforts to cement this position through its innovative solutions such as implementing the “unilateral recognition” policy for cross-boundary motor insurance and introducing preferential treatment on insurance regulation for Mainland insurers under the Closer Economic Partnership Arrangement (CEPA) agreement.⁶⁹

134 To further improve upon Hong Kong’s connectivity with the GBA, AmCham recommends the linkage to be enhanced in the following areas of the insurance industry:

- **Capital Markets:** Deepen financial ties with GBA cities to enable insurers to access broader capital markets to provide enhanced services for customers. The Government should continue to explore and execute cross-border initiatives facilitating insurers’ cross-border financial transactions such as renewal premium collection and benefit/claim payment.
- **FinTech Innovation:** Actively promote and invest in digital infrastructure to help facilitate insurance-related transactions with Mainland China. For example, a potential pilot project focusing on medical insurance could streamline Hong Kong insurers’ medical bill payments to Mainland Chinese healthcare providers.
- **Reinsurance Growth:** Further intensify the insurance or reinsurance ecosystem by providing an equivalent reinsurance recognition framework in Mainland China. It is recommended to establish greater regulatory equivalency for reinsurance between Hong Kong and Mainland China. By fostering cross-border regulatory harmonization, this can strengthen Hong Kong’s role as a regional reinsurance hub, particularly for the function of risk underwriting, whilst maintaining prudent regulatory standards.

Maintain an International Aligned Approach to Capital Requirements

135 AmCham applauds the Government’s explicit commitment to modernize Hong Kong’s regulatory framework in aligning itself with international standards. The establishment of the IA, an independent body, has helped promote the consistent regulation of the industry. Particularly, its work in finalizing Hong Kong’s Risk-based Capital (RBC)

⁶⁸ Financial Services and the Treasury Bureau. (n.d.). Insurance and Risk Management. https://www.fstb.gov.hk/en/financial_ser/insurance-industry.htm

⁶⁹ GovHK. (2024, December 4). SFST’s speech at Insurtech Insights Asia Conference 2024 (English only). <https://www.info.gov.hk/gia/general/202412/04/P2024120400309.htm>

regime must continue to remain competitive, internationally aligned, and proportionate. This will help to continue to strengthen the financial soundness of Hong Kong insurers.⁷⁰

136 To maintain this, the Chamber recommends the Government and the IA to:

- **Finalize the implementation of the RBC regime by the end of 2025.** We appreciate the initiative to apply capital charge discounts to green bonds⁷¹, which is a positive step toward incentivizing sustainable investment. Having a centralized, publicly accessible HKIA database of recognized green bonds and reviewers (which also includes metadata like issuer, standard aligned, reviewer, and issuance date) will be useful. This would streamline identification and reduce manual verification.

Enhance Health Protection

137 Since the Voluntary Health Insurance Scheme (VHIS) was launched in 2019, more people have purchased health insurance, with the number of policies exceeding 500,000 in the first year of implementation.⁷² This has granted consumers more choice for medical insurance, simultaneously relieving pressure on the public system and reducing medical insurance inflation.

138 To further its success and improve the overall quality of the VHIS, AmCham recommends the Government undertake a comprehensive review of the entire scheme following its launch for six years. This review should engage a broad range of stakeholders to ensure balanced and effective enhancements.

139 Key areas for consideration include:

- **Work on making the VHIS coverage more relevant to members' needs in practice to enhance participation and satisfaction.** For instance, pre-existing conditions diagnosed after purchasing a VHIS plan should be covered, regardless of the providers. This would increase mobility among policyholders and prevent them from being "locked in" to their current plans, encouraging insurers to improve services and pricing. Such coverage could be included in a VHIS plan either immediately or after a set number of years.
- **As part of broader efforts to manage healthcare inflation, consider pragmatic regulations and establish a working unit aimed at improving price transparency in private healthcare services.** There is currently inadequate governmental oversight of price transparency in the private healthcare sector. Failure to address this issue properly could trap Hong Kong's healthcare system in a vicious circle, where opaque pricing practices and the continued escalation in fee levels would not only deter the public from using the services but also increase the premium level of health insurance, disincentivizing citizens in purchasing or renewing policies. This would inevitably intensify the pressure on public healthcare, worsening the already long waiting times in public hospitals. The Chamber thus recommends that a working group be established in coordination with the Health Bureau, which conducts active governance and regulation over pricing models in privatized healthcare.
- **Promote broader participation in the Scheme** by encouraging part-time workers, freelancers and self-employed persons to participate in the VHIS, offering financial incentives such as subsidies, premium discounts, and flexible payment plans. This measure protects the growing community of slashers in Hong Kong by enabling them access to health insurance typically available to full-time employees, thereby promoting a more diversified employment landscape in Hong Kong.

140 We welcome the Government's proposal on the legislative and long-term enhancement measures for enhancing price transparency of private healthcare services.⁷³ For instance, requiring private hospitals to provide budget estimate is expected to effectively provide patients with greater price certainty and boost public confidence and willingness to

⁷⁰ Financial Services and the Treasury Bureau. (n.d.). Insurance and Risk Management. https://www.fstb.gov.hk/en/financial_ser/insurance-industry.htm

⁷¹ Insurance (Valuation and Capital) Rules (Cap. 41 sub. leg. R), Section 48(3)(c).

⁷² GovHK. (2020, September 11). Number of Voluntary Health Insurance Scheme policies exceeds 500 000 in first year of implementation. <https://www.info.gov.hk/gia/general/202009/11/P2020091100358.htm>

⁷³ Legislative Council. (2025, May 9). Legislative Council Panel on Health Services: Enhancing Price Transparency of Private Healthcare Services. <https://www.legco.gov.hk/yr2025/english/panels/hs/papers/hs20250509eb3-639-3-e.pdf>

use non-primary private healthcare services. We look forward to collaborating with the Government on the development and implementation of these initiatives.

Streamline Re-domiciliation Applications

- 141 AmCham highly commends the Government for introducing the re-domiciliation regime, which has successfully brought in non-Hong Kong companies to transfer their incorporation to Hong Kong. Hong Kong as a domicile base fully reflects the strengths and allure of our market driven environment by connectivity among cities in the GBA.⁷⁴
- 142 AmCham concurs with the Government that there remains a continued need to attract more insurance companies to Hong Kong. The re-domiciliation regime is also welcomed by the insurance industry as it provides companies with a simple and cost-effective framework to re-domicile to Hong Kong. This would cement Hong Kong's position as a leading regional insurance hub.
- 143 AmCham seeks to provide suggestions to further streamline the re-domiciliation process to attract even more insurance companies into Hong Kong:
- **Engage with relevant regulatory authorities.** Currently, all applications for re-domiciliation must receive approval from the relevant authorities. A proactive approach in engaging with these authorities of key offshore jurisdictions should be taken to ensure that Hong Kong is recognized as an approved jurisdiction for re-domiciliation. This could be done by reaching out to the relevant authorities of key offshore jurisdictions to secure their facilitation for the orderly re-domiciliation of companies to Hong Kong. In particular, Hong Kong should aim to become one of Bermuda's appointed jurisdictions, so that a case-by-case approval for re-domiciliation will no longer be necessary in Bermuda and the process can be more streamlined.
 - **Promote a "headquarters economy".** The Government should encourage the insurance sector to expand the role of their Hong Kong offices by moving their regional headquarters to Hong Kong. By having more companies shift their regional headquarters to Hong Kong, this will increase the influx of foreign insurers and skilled workers.

⁷⁴ Insurance Authority. (2025, May 14). Insurance Authority welcomes passage of legislation for implementation of the company re-domiciliation regime. https://www.ia.org.hk/en/infocenter/press_releases/20250514.html

7. Health

144 Hong Kong's medical sector thrives upon its comprehensive healthcare infrastructure and sound medical product markets, and further enhancement efforts towards its key medical strengths will allow the city to establish itself dually as a bio-innovation hub and healthcare center. This process not only involves refining Hong Kong's existing healthcare system and regulatory procedures concerning medical products but also calls for greater emphasis on the sector's potential to branch into other novel fields, such as tourism and technological innovation. Further consolidation of strategic policy changes to both existing and prospective healthcare landscapes will, thus, strengthen Hong Kong's standing as a world-class medical hub.

145 This chapter will focus on the following recommendations to the Government:

- Revise Regulatory Mechanisms for Medical Devices and Pharmaceuticals
- Establish All-rounded Cost-effective Pricing Evaluation Models for the Medical and Healthcare Sectors
- Promote Ethical and Transparent Uses of Generative AI and Data in the Medical Sector
- Consolidate the Role of the Private Sector in Enhancing Hong Kong's Healthcare System
- Build Hong Kong as a Hub for "Medical Tourism"

Revise Regulatory Mechanisms for Medical Devices and Pharmaceuticals

146 AmCham commends the Government for its commitment to safeguarding public health, evidenced in its intention to legislate statutory regulation of medical devices and establish the Hong Kong Center for Medical Products Regulation (HKCMPR). The Chamber firmly believes that the consolidation of this overall regulatory framework guarantees the integrity of Hong Kong's well-established medical product markets. The Chamber also looks forward to seeing improvements in existing regulations, which can be done effectively by conducting regular observations of current market circumstances and making appropriate revisions accordingly.

147 Our members have expressed concerns with the legitimacy of medical devices available for direct purchase by patients and consumers ("consumer medical devices"), most often transacted in markets without significant governmental regulation, such as e-platforms and physical retail. This inadequacy in governmental oversight has resulted in the proliferation of illegitimate retailers, products with unverifiable sources and ultimately undermines the integrity of Hong Kong's medical device market, particularly in the case of contact lenses. AmCham highly encourages the Government to **enforce greater regulation and surveillance of non-regulated e-platforms and medical device retailers**, with recommendations as follows:

- Only registered importers, resellers and wholesalers should be permitted to sell consumer medical devices via e-platforms, physical retail and other platforms without significant governmental oversight.
- Platform operators must verify that all entities selling consumer medical devices under their platforms are properly registered with the Medical Device Administrative Control System. Failure to comply with this verification requirement would constitute a violation of the law.
- Mandate prescriptions for purchasing high-risk consumer medical devices. Consumer medical devices, if not prescribed and utilized appropriately, may pose significant risks to consumer safety. It is necessary for retailers to conduct prescription verifications to ensure appropriate consumer usage of these devices. Retailers should be subject to legal prosecution if they fail to do so.
- The Department of Health should conduct regular surveillance of e-platforms and physical retail to identify cases in violation of the above regulations. These cases should be strictly referred to the Police or the Customs and Excise Department for enforcement action.

148 It is also recommended that the Government also **refine complementary regulations within the overarching Medical Device Regulation (MDR) framework**, with key suggestions as follows:

- **Conduct re-assessments of current risk classifications of consumer medical devices.** Consumer medical devices, due to their publicly accessible nature, may pose critical safety risks to users if not properly utilized. Re-evaluating risk classifications for potential high-risk consumer medical devices, such as contact lenses, guarantees consumer safety. The Government may also consider publishing guidelines on the purchase of high-risk consumer medical devices for users.
- **The existing voluntary registration system should be made mandatory for all medical devices.** AmCham recommends a grace period where retailers are incentivized to perform preliminary registration for their products. The Government may also consider eliminating re-registration procedures for existing registered medical devices once the mandatory registration system takes effect.
- Remove overlapping assessments on medical devices by the Department of Health and the Hospital Authority.

149 AmCham appreciates the release of a timetable on the establishment of the HKCMR in June 2025, which is a vital step to enforcing the implementation of mandatory MDR. Nonetheless, our members have expressed uncertainty with specific legislative details pertaining to the establishment of statutory regulation of medical devices and granting regulatory authority to the HKCMR by the end of 2026. AmCham calls **for higher levels of clarity and transparency in MDR legislative frameworks** and recommends that the Government:

- Release key specific legislative details on the proposed statutory framework and the “continuous enhancement” of professional capacities and regulatory efficiency.
- Request the Preparatory Office of the HKCMR to conduct more efficient assessments and put forward comprehensive proposals for MDR legislation.

150 In response to the Government’s extension of the “1+” approval mechanism to all new drugs and streamlining of relevant registration procedures, AmCham believes it is highly beneficial to **construct a consistent framework that complements these approval systems**. The current “1+” mechanism merely targets a cumulative processing time for approval procedures and, in effect, does not necessarily promise nor undergo a predictable approval timeline. Such inconsistencies compromise not only the competitiveness of Hong Kong’s medical product market, but also broader strategies of transforming the city into a bio-innovation hub. To further enhance the efficiency and credibility of these approval mechanisms, AmCham proposes the following:

- Construct a predictable and consistent timeline for the “1+” approval mechanism that produces actual rather than targeted results.
- Hasten the processing time of approval mechanisms.

Establish All-rounded Cost-effective Pricing Evaluation Models for the Medical and Healthcare Sectors

151 Seeking “north-bound medical treatment” has become more prevalent in Hong Kong as the region’s neighboring Mainland Chinese medical sector sees a sharp rise in its relative affordability, efficiency and competitiveness to that of Hong Kong. AmCham appreciates the Government’s initiative to address this uneven level playing field for Hong Kong by adopting price referencing measures with the Mainland Chinese market, which promise price reductions without compromising the quality of medicines. However, selective price referencing with Mainland China does not consider the fundamental differences from which Hong Kong and Mainland China’s respective economic structures are derived. For instance, Hong Kong’s relatively small patient volume undermines the ability of its markets in offering medical services and products at price levels equivalent to that of Mainland China.

152 AmCham believes that Hong Kong’s medical sector benefits from its ability to make price differentials from its regional and Mainland Chinese competitors. Hong Kong’s unique economic distinction from Mainland China has proven invaluable in establishing its international competitiveness, and these distinctions should, likewise, preserve the integrity of its medical sector. It is crucial that the Government utilize the city’s economic strengths in creating more **all-rounded cost-effective evaluations of existing pricing models for the medical and healthcare sectors**. Thus, AmCham highly encourages that the Government:

- Strengthen price differentials between the Hong Kong and Mainland Chinese markets for medical services and pharmaceuticals.

- Adjust pricing strategies in accordance with local economic and pricing structures, as well as consultative findings from international pharmaceutical companies and other relevant international industry stakeholders.
- Adopt a transparent, all-rounded cost-effective evaluation model at the Hospital Authority. This ensures the adoption of an evidence-based approach in evaluating the value of an innovative treatment to the healthcare system, patients and other stakeholders for overall decision-making on enlistment and reimbursement.
- Establish a working unit in conjunction with the Insurance Authority, aimed at improving price transparency in privatized healthcare. This unit may conduct active governance over pricing models to ensure that private healthcare services are reasonably-priced, and that citizens would be willing to use these services and subsequently renew their health insurance policies. Detailed suggestions have been listed in the Insurance section.

Promote Ethical and Transparent Uses of Generative AI and Data in the Medical Sector

153 Hong Kong's healthcare sector has long benefitted from the city's ability to bridge cutting-edge technologies from Greater China and the wider world in enhancing its clinical productivities and infrastructural capabilities. This is, in recent years, strengthened by deployments of generative artificial intelligence (GenAI) models in public healthcare systems, with the use of GenAI in medical report drafting implemented as early as March 2025. While the public sector has taken the lead in utilizations of GenAI, its privatized counterpart currently has limited access to related GenAI models and technologies. Difficulties in obtaining consent for the incorporation of patient data into GenAI-powered medical services, moreover, primarily stem from widespread fears of potential privacy breaches and leakage of personal medical data from patients.

154 The Chamber finds it necessary that the Government consolidate its governance framework in addressing the aforementioned concerns, which guarantees ethical and comprehensive usage of GenAI as well as transparency in data flows. Therefore, AmCham recommends that the Government:

- Develop sound, transparent legal frameworks addressing the ethical handling of patient data and governance of GenAI, as well as liabilities faced by developers and service providers regarding data privacy breaches.
- Facilitate public-private collaborations on enhanced data flows, digitalization and GenAI usage in the medical sector.

Consolidate the Role of the Private Sector in Enhancing Hong Kong's Healthcare System

155 As the public healthcare sector endures long-term burdens from excess patient demand, coupled with increasing risks of developing chronic diseases among a rapidly ageing population, the private sector now poses as vital for Hong Kong to create an efficient, balanced landscape within its healthcare system. In 2022-23 alone, the total health expenditure among private funds amounted to nearly 39% of Hong Kong's total healthcare sector and approximately 4% of Hong Kong's GDP. Private healthcare services are not only a convenient alternative to Hong Kong's overburdened public healthcare sector, but a crucial asset to enhancing the efficiency of the city's overall healthcare landscape. At this juncture, AmCham emphasizes the importance of the private sector in Hong Kong's "dual track" healthcare system, and strongly urges the Government to consider the following policy strategies:

- **Strengthen communication with the private sector on the Chronic Disease Co-Care (CDCC) Pilot Scheme.** The CDCC Pilot Scheme has not been well-received financially by private service providers and practitioners. Initiating dialogue and consultation with relevant stakeholders within the private sector will enable the Government to construct a financially viable framework that allows for the smooth running of the CDCC Pilot Scheme.
- **Add a secondary and tertiary focus into Public-Private Partnerships (PPPs) within the healthcare system.** The public healthcare sector is currently overburdened by excess demand for its secondary and tertiary care services, resulting in long, inefficient waiting times and decreased patient access to relevant medical services. Extending the scope of PPPs to secondary and tertiary care will ensure faster patient access to life-saving care procedures such as breast surgeries or organ transplants.

Build Hong Kong as a Hub for “Medical Tourism”

- 156 It is necessary to not only consolidate Hong Kong’s healthcare system but also leverage upon its competitiveness to contribute to other Government strategies of tourism development and talent attraction, to name a few. The Chamber highly encourages the Government to harness Hong Kong’s healthcare capacity in attracting high-value non-local visitors and talents to seek medical consultation in Hong Kong. The Government may consider devising policy initiatives that incentivize foreigners to receive medical care in Hong Kong, such as by purchasing inbound travel health insurance with Hong Kong insurance companies, which will effectively bolster Hong Kong as an established “medical tourism” hub.

8. Home & Youth Affairs

- 157 The advancement of women in the workforce is not only a matter of gender equality but also a critical driver of economic growth. According to the World Bank, closing gender gaps in employment and entrepreneurship could increase global GDP by 20%. However, significant challenges persist for women in Hong Kong despite its progress.
- 158 The number of working women in Hong Kong has decreased by approximately 5.9% in the past four years, partially due to a net outflow of the population during COVID-19.⁷⁵ Among the women who stayed, many opted to exit the workflow as they were unable to balance their professional duties and household responsibilities. Consequently, there are now only about 52% of women in the workforce, a significant contrast to other Asia-Pacific competitors such as Australia (63%) and Singapore (62%).⁷⁶ To further exacerbate concerns, Hong Kong's fertility rates have illustrated a decline since 2014.⁷⁷
- 159 There is a significant need to reevaluate existing policies and amend measures to optimally incentivize women's presence in the workforce in Hong Kong.
- 160 To that end, AmCham recommends the following priority actions:
- Striving for Equal Pay
 - Diversity of Women on Listed Boards
 - Removal of Glass Ceilings
 - Proactive Protection of Women's Mental Health
 - Accessibility to Reproductive Health Resources

Striving for Equal Pay

- 161 Women may be less prone to enter or remain in the workforce if they believe that they are not fairly compensated compared to men.⁷⁸ The pay difference between men and women has widened from 15.8% in 2021 to 19.6% in 2022, with women in the professional workspace earning 15.6% less than men in 2022.⁷⁹
- 162 Thus, AmCham urges the Government to take steps to:
- Reduce the gender pay gap by considering a mandate in which companies employing a specified number of employees should be required to disclose gender pay gaps. At present, Hong Kong has one of the lowest gender pay gap publication rates in the world (6%) as opposed to other Asia-Pacific competitors, such as Singapore (22%) and Australia (23%).⁸⁰

⁷⁵ Legislative Council Secretariat. (2023, February 14). Policy measures to expand female workforce in Australia and Singapore. www.legco.gov.hk/research-publications/english/2023in03-policy-measures-to-expand-female-workforce-in-australia-and-singapore-20230214-e.pdf

⁷⁶

Census and Statistics Department. (2025, May 20). Table 210-06201 : Labour force and labour Force participation rate by age and sex. www.censtatd.gov.hk/en/web_table.html?id=210-06201; Australian Bureau of Statistics. (2025, March 20). Spotlight: Changes in participation rates for men and women in Australia. <https://www.abs.gov.au/articles/spotlight-changes-participation-rates-men-and-women-australia>;

The World Bank. (n.d.) Gender Data Portal: Singapore. genderdata.worldbank.org/en/economies/singapore

⁷⁷ Census and Statistics Department. (2025, June 25). Fertility Rates and Local Birth Figures. www.censtatd.gov.hk/en/chat20250625.html#

⁷⁸ Terada-Hagiwara, A., Camingue-Romance, S.F. and Zveglic Jr., J.E. (2018, March). Gender Pay Gap: A Macro Perspective. Asian Development Bank. www.adb.org/sites/default/files/publication/404406/ewp-538-gender-pay-gap.pdf

⁷⁹ Wong, G. (2025, March). Mind the gender pay gap. ACCA AB Magazine. abmagazine.accaglobal.com/global/articles/2025/mar/practice/mind-the-gender-pay-gap.html; Lee, C. (2022, September 13). Workplace gender disparity widens in Hong Kong. HRM Asia. <https://hrmasia.com/workplace-gender-disparity-widens-in-hong-kong/>

⁸⁰ Equileap. (2022, June 16). Gender Equality in Asia-Pacific – Special Report 2022 Edition. equileap.com/wp-content/uploads/2022/06/Equileap_Gender-Equality-in-Asia-Pacific_Special-Report_2022.pdf

Diversity of Women on Listed Boards

163 AmCham commends the successful implementation of The Hong Kong Stock Exchange's 2021 regulation requiring all 2,650 listed companies to appoint at least one female board member by the end of 2024.⁸¹ By January 2025, single-gender boards had fallen to approximately 3%, a significant improvement from the 40% of all-male boards recorded among the 2,650 HKEX-listed companies in early 2022.⁸²

164 Despite this progress, 85 listed companies failed to meet with the January 2025 compliance deadline. AmCham urges the HKSAR Government and the Hong Kong Stock Exchange to take steps to:

- Ensure full enforcement of this requirement by prioritizing timely follow-up with non-abiding companies and introducing consequences for persisting non-compliance. Improving gender diversity on boards is essential for Hong Kong to maintain its global position as a top-tier financial center.
- Launch a Phase 2 of the project once full compliance has been achieved that establishes target ratios for women on boards of publicly listed companies and in senior management positions that would increase over time.

Removal of Glass Ceilings

165 According to the Hong Kong Female Talent Pipeline Study, nine out of every ten Hong Kong women report barriers in reaching their career aspirations, ranging from family commitments to a lack of promotional opportunities within their companies and/or industries.⁸³ Women will be incentivized to remain in the workplace if they believe there are no glass ceilings to their continued promotion.

166 Hong Kong still trails behind its regional peers in removing glass ceilings to women's continued advancement in senior management positions. AmCham supports the Hong Kong Government's 2023 introduction of the Women Empowerment Fund, subsidizing projects to support women in the workforce. The first round of applications opened in June 2025, and the Chamber looks forward to seeing impactful projects that enhance women's career development and promote community engagement.⁸⁴ However, these initiatives do not sufficiently address the need to attract, retain, and advance women into senior leadership roles. Thus, AmCham further encourages the following:

- Provide boards with guidelines and training materials to facilitate succession planning and leadership programs to prepare female candidates for board and senior management roles.
- Introduce policies related to gender-neutral flexible working arrangements and encourage corporations to develop better return rates and training programs for women hoping to rejoin the workforce.

Proactive Protection of Women's Mental Health

167 3.5% of women in Hong Kong report suffering from mental health disorders compared to 2.2% of men, a disparity that can be attributed to the pressure placed on women to balance expectations in the workplace and at home.⁸⁵ A Deloitte study issued on working women in 2024 revealed that mental health is among the top three factors in

⁸¹ Ng, K. (2024, June 13). Get on board – time to break barriers and build a better, more inclusive future. HKEX. www.hkexgroup.com/Media-Center/Insight/Insight/2024/Katherine-Ng/Get-on-board?sc_lang=en

⁸² Davis, C. (2025, January). Hong Kong boards go gender-diverse. ACCA AB Magazine. abmagazine.accaglobal.com/global/articles/2025/jan/comment/hong-kong-boards-go-gender-diverse.html.

⁸³ Women's Directorship Programme. (2019). Hong Kong's Female Talent Pipeline Study. <https://www.wdp-international.com/diversity-research>

⁸⁴ GovHK. (2025, June 9). Women Empowerment Fund invites 2025–26 first-round applications. www.info.gov.hk/gia/general/202506/09/P2025060900250.htm

⁸⁵ Lam, L. C. W., Wong, C. S. M., Wang, M. J., Chan, W. C., Chen, E. Y. H., Ng, R. M. K., ... & Bebbington, P. (2015). Prevalence, psychosocial correlates and service utilization of depressive and anxiety disorders in Hong Kong: The Hong Kong Mental Morbidity Survey (HKMMS). *Social Psychiatry and Psychiatric Epidemiology*, 50(9), 1379-1388. <https://link.springer.com/article/10.1007/s00127-015-1014-5>

driving women to quit their jobs, and a lack of awareness surrounding this issue means that 20% of respondents feared expressing their mental health challenges would adversely impact their career progression chances.⁸⁶

168 AmCham commends the Government's efforts to raise awareness of mental health through initiatives like Women Wellness Satellites (WWSs) and WWS Service Points, which started in June 2025, to offer preventative and personalized primary healthcare services to eligible women.⁸⁷ However, the Government should take additional steps to safeguard the mental well-being of women in the workforce. We suggest that the Government:

- Provide incentives for companies to implement mental health support programs such as on-site counselling and extend its support to working mothers returning to the office by mandating time off and legislating a flexible working hours policy.

Accessibility to Reproductive Health Resources

169 Women in the working sphere may encounter a range of health concerns, from pregnancies to menopause. Offering them support will not only improve their over-all wellbeing but also contribute to a more productive and inclusive work environment. Addressing such health gap could improve the quality of life for women, as well as boost healthy aging.

170 AmCham commends the Hong Kong Government's strides in protecting women in the workplace, through the prohibition of discrimination against breastfeeding women in the Discrimination Legislation Ordinance. The advancement of female reproductive health services, such as The Women's Health Service of the Family Planning Association of Hong Kong, has also been noteworthy. However, AmCham encourages the Government to:

- Mandate these initiatives to ensure adherence across all workplaces. For example, the recommended measures set out in The Breastfeeding Friendly Workplace Guide issued by the Family Health Service such as providing private spaces and refrigeration facilities for breastfeeding women, should be made mandatory.⁸⁸

171 Moreover, incorporating access to female reproductive health services within employee benefits may allow for better health and care of female employees and enhance their performance and productivity.⁸⁹ Thus, AmCham encourages the Government to:

- Launch initiatives and schemes raising awareness in providing female healthcare services to employees.

⁸⁶ Deloitte. (2024). Women @ Work 2024: A Global Outlook. <https://www.deloitte.com/global/en/issues/work/content/women-at-work-global-outlook.html>

⁸⁷ District Health Centre. (n.d.). Women Wellness Satellites / WWS Service Points. <https://www.dhc.gov.hk/en/www.html>

⁸⁸ Family Health Service. (2023). Establish Breastfeeding Friendly Workplace: The Employer's Guide. <https://www.fhs.gov.hk/english/breastfeeding/30031.html>

⁸⁹ Wu, H., & Kwan, M. P. (2022). Understanding the health care access of individuals with mental illness in Hong Kong. American Journal of Health Promotion, 29(6), TAHp-2. <https://journals.sagepub.com/doi/10.4278/ajhp.29.6.tahp-2>

9. Innovation, Technology & Industry

172 In the modern world, Innovation and Technology (I&T) form a critical pillar of global economic development and social progress. With its world-class R&D infrastructure, highly sophisticated technological landscape, and thriving start-up ecosystem, Hong Kong is a destination that invites investment, talent, and enterprise. In 2024, the Shenzhen-Hong Kong-Guangzhou Innovation and Technology Cluster was once again ranked the second-best globally, and the number of start-ups grew by 10%, collectively employing over 17,600 people.⁹⁰ These indicators reaffirm Hong Kong's position as a leading innovation hub on the international stage.

173 The Government has already taken various steps to reinforce this trajectory of growth and development. The launch of various technology funding schemes have catalysed the expansion and diversification of Hong Kong's economy.⁹¹ Meanwhile, the introduction of the GBA Standard Contract has facilitated cross-boundary data flow across the GBA, streamlining regulatory compliance and encouraging deeper digital collaboration between Hong Kong and the Mainland. It is essential that the Government builds upon this upward momentum to ensure that I&T powers long-term sector-wide growth and reinforce Hong Kong's role as a global leader of technological development.

174 To that end, AmCham recommends the following priority actions:

- Advance Cross-boundary Data Governance and Regulatory Alignment
- Increase Open Data Access to Support Artificial Intelligence (AI) Development and Innovation
- Accelerate the Digitization of and Expand Access to Public and Trade Data Infrastructure
- Accelerate Infrastructure Policy for Digital Assets
- Adopt a More Pro-cloud Policy
- Promote a More Balanced Approach between National Security and I&T
- Consider Funding and Policy Support for the I&T Sector

Advance Cross-Boundary Data Governance and Regulatory Alignment

175 AmCham welcomes the Government's progress in enabling secure and efficient cross-boundary data flow through the "Standard Contract for the Cross-boundary Flow of Personal Information within the Guangdong-Hong Kong-Macao Greater Bay Area (Mainland, Hong Kong)", which has gained positive reception for its cost-saving and efficiency-maximising impact by reducing legal complexity and streamlining compliance for enterprises operating within the GBA.⁹² However, the current restriction of such facilitation to the GBA limits Hong Kong's full potential as a regional data hub. To further enhance Hong Kong's position in the digital economy, the Chamber urges the Government to:

- Extend the facilitation measure of "Standard Contract for the Cross-boundary Flow of Personal Information within the GBA" to other data center hubs in the Mainland such as the Beijing-Tianjin-Hebei Region, Yangtze River Delta and Ningxia Hui Autonomous Region.

176 Streamlining data sharing with China's major tech hubs would support thriving business operations across Hong Kong and the Mainland while incentivising and simplifying collaboration.

Increase Open Data Access to Support AI Development and Innovation

177 Closely related is the unrestricted movement of data across the private and public sectors to enhance usability and encourage data-driven technological development while keeping low compliance costs for businesses. This would especially benefit data-intensive industries like AI, biotech, and fintech. In this regard, the HKSAR Government should:

⁹⁰ World Intellectual Property Organization. (2024, April). Global Innovation Index 2024 – Cluster ranking. <https://www.wipo.int/web-publications/global-innovation-index-2024/en/cluster-ranking.html>; Invest Hong Kong. (2025, January 4). Record-high Numbers of Companies and Start-ups. <https://www.investhk.gov.hk/media/b1ipw024/202501-newsletter-en.pdf>

⁹¹ GovHK. (2024, October 16). I & T Will Drive City's Development: CE. http://news.gov.hk/eng/2024/10/20241016/20241016_093539_430.html

⁹² GovHK. (2025, May). Facilitating Cross-boundary Data Flow within the Guangdong-Hong Kong-Macao Greater Bay Area (Mainland, Hong Kong) — GBA Standard Contract. http://www.digitalpolicy.gov.hk/en/our_work/digital_infrastructure/mainland/gbacbdf/cross%20boundary_data_flow/index.html

- Not impose data localisation requirements for the public and/or private sectors as localisation measures do not improve personal data security outcomes but do impede business innovation and limit services available to consumers.
- Not impose stringent restrictions on cross-border data transfer to foster the development of digital economy and strengthen Hong Kong's role as a "super connector" and "super value adder".
- Recognise international security and privacy standards and code of practices that have proven their efficiency as an appropriate voluntary mechanism for demonstrating compliance with domestic privacy laws and frameworks.

178 With the right government support in place, particularly in the form of unrestricted data access, Hong Kong's AI industry is expected to reap HK \$287.4 billion of economic benefits for businesses by 2030.⁹³ Ensuring open data access will reinforce Hong Kong as a leading center for AI development and innovation. Therefore, it is in the interest of the Government to:

- Consider making available more data open to the public, businesses, and academia for research and commercial purposes, so that Hong Kong can fully reap the benefits from the data-driven AI age.
- Avoid the overclassification of data as restricted and confidential as it can incur unwarranted expenses by putting into place costly controls and divert attention to less critical datasets, as well as limit society's use of the data through unnecessary compliance requirements.

Accelerate the Digitization of and Expand Access to Public and Trade Data Infrastructure

179 AmCham acknowledges the Government's substantial progress in advancing digital transformation across public services and infrastructure. With its emphasis on digital advancement, Hong Kong rose to rank 7th globally in digital competitiveness, according to the International Institute for Management Development's World Digital Competitiveness Ranking 2024, demonstrating continued strength in the categories of "Technology" and "Knowledge".⁹⁴ Moreover, the establishment of the Digital Policy Office in July 2024 highlighted the Government's dedication to enhancing digital governance.⁹⁵

180 However, AmCham sees that Hong Kong's digital infrastructure faces several challenges that may affect its economic competitiveness and capacity for innovation, particularly in the areas of digitization scope, data accessibility, and system integration.

181 On the topic of digitization, while the Companies Registry (CR) is largely digitized, it lacks the depth and ease of access seen in jurisdictions like the UK, China, or Australia. In contrast to Singapore's integrated corporate digital identity infrastructure, which supports over 250 public digital services, Hong Kong's systems remain relatively fragmented.⁹⁶ Trade data from HK Customs and TradeLink remains largely paper-based and inaccessible for analytics.

182 Moreover, data availability presents significant limitations as CR and Customs data are not available at the database level, restricting the efficiency of analytics, innovation, and financial crime investigation. Under section four of the Hong Kong Inland Revenue Ordinance, the Inland Revenue Department's (IRD) data, including audited financial statements and tax records, remains inaccessible, hindering straight-through credit risk assessment processes that are standard in other jurisdictions. The IRD's business registration and financial data are not available in structured formats or Application Programming Interfaces (APIs) even with consent. This stands in stark contrast to the UK's Companies House streaming API, which provides real-time data changes and allows bulk data access for licensed

⁹³ Access Partnership. (2024, June 5). Economic Impact Report: Advancing Hong Kong's Economic Growth through Artificial Intelligence (AI) and Digital Innovation with Google. <http://accesspartnership.com/advancing-hong-kongs-economic-growth-through-artificial-intelligence-ai-and-digital-innovation-with-google/>

⁹⁴ GovHK. (2024, November 14). Hong Kong rose to rank seventh globally in digital competitiveness. <https://www.info.gov.hk/gia/general/202411/14/P2024111400313.htm>

⁹⁵ GovHK. (2024, July 25). Digital Policy Office established today. <https://www.info.gov.hk/gia/general/202407/25/P2024072400394.htm>

⁹⁶ Government Technology Agency Singapore. (2025, March 5). Safer, More Convenient Business Transactions with a Corporate Digital Identity. <https://www.developer.tech.gov.sg/our-digital-journey/singapore-digital-government-journey/digital-identity/safer-more-convenient-business-transactions-with-a-corporate-digital-identity.html>

providers⁹⁷, or Singapore's Corporate Digital Identity platform, which enables seamless Government-to-Business (G2B), Business-to-Business (B2B), and Business-to-Customer (B2C) transactions.⁹⁸

183 To further enhance Hong Kong's competitiveness, AmCham recommends to:

- Fully digitize and expand the scope of public registries, including CR, IRD, and Customs, to capture a broader range of data to support financing and corporate disclosure.
- Enable structured access via APIs to public datasets for licensed data providers and financial institutions, including the transfer of full database files.
- Establish a framework similar to the UK's streaming API system, which allows users to access new register data in near real-time and supports bulk data processing for operations that rely heavily on company data.

184 The current regulations in Hong Kong regarding the permitted use of corporate registry data, as well as the Personal Data (Privacy) Ordinance (PDPO), present particular limitations for commercial activities. Specifically, the CR imposes restrictions on the commercial use of its data, which differ from the more open approaches in other regions such as the UK Companies House and Mainland China's business registration systems.⁹⁹ The lack of a clear distinction between personal and business contact data within Hong Kong's privacy ordinance can create challenges for business-to-business outreach and legitimate commercial development, as non-compliance carries significant penalties.¹⁰⁰ To create a more open data transfer platform in Hong Kong, the Government may consider the following measures:

- Reform data usage policies to allow the commercial and analytical use of registry data, while maintaining privacy safeguards.
- Modernize the PDPO to distinguish between personal and professional contact data, adopting an opt-out model for business communications in line with international peers.

Accelerate Infrastructure Policy for Digital Assets

185 Hong Kong's digital infrastructure is continuing to rapidly evolve, and there is a need for clear regulations and policy framework that supports the financial sector in integrating new digital infrastructure, which currently lacks applicable prudential requirements. This integration will ensure faster adoption and promote commercialization by the industry. At the same time, technical infrastructure for digital assets remains fragmented across different regions, hosting multiple systems that operate independently of one another and restrict interoperability. To ensure a seamless ecosystem of digital assets that can serve as a central processing engine for cross-boundary economic activity, greater standardization is required. To this end, we recommend that the HKSAR Government:

- Align Hong Kong's digital initiatives roadmap with Mainland and other relevant authorities to support the unified development of infrastructure projects similar to mBridge and Ensemble, creating seamless interoperability and catering to all regional currencies and assets.
- Develop prudential regulations to facilitate the integration of new digital infrastructure by banks, supporting faster adoption while maintaining financial stability and regulatory compliance.

Adopt a More Pro-Cloud Policy

186 Cloud technologies have numerous advantages compared to a reliance on on-premises data centers. Cloud computing offers scalability, cost-efficiency, potential of improved cybersecurity, and more sustainable IT operations. To promote Hong Kong as a leading data center hub on the global stage, the Government has recognized cloud computing could help develop Hong Kong's digital economy.

⁹⁷ Public Technology. (2019, October 30). Companies House releases API to open up its data. <https://www.publictechnology.net/2019/10/30/business-and-industry/companies-house-releases-api-open-its-data/>

⁹⁸ Government Technology Agency Singapore. (2025, March 5). Safer, More Convenient Business Transactions with a Corporate Digital Identity. <https://www.developer.tech.gov.sg/our-digital-journey/singapore-digital-government-journey/digital-identity/safer-more-convenient-business-transactions-with-a-corporate-digital-identity.html>

⁹⁹ Cookiebot. (n.d.). PDPO Hong Kong | Compliance with Cookiebot CMP. <https://www.cookiebot.com/en/hongkong-pdpo/>

¹⁰⁰ Cookiebot. (n.d.). PDPO Hong Kong | Compliance with Cookiebot CMP. <https://www.cookiebot.com/en/hongkong-pdpo/>

187 However, both the private and the public sectors largely remain reliant on traditional infrastructure, which hinders innovation and has built-in inefficiency. Therefore, the Chamber encourages the Government to:

- Adopt a more coordinated pro-cloud strategy to fully capitalize on the merits of cloud computing in terms of agility, cost savings, scalability and sustainability, allowing faster innovation and deployment, with a view to driving digital transformation in both the public and private sectors.

188 In addition, cloud computing is a proven decarbonization technology as its energy efficiency and economy of scale offer substantial potential for reducing carbon footprints across sectors. The Asia Cloud Computing Association concluded that cloud infrastructure is at least five times more efficient than typical APAC on-premises data centers.¹⁰¹ In 2024, the International Energy Agency also found that the PUE of cloud data centers was 1.345, which significantly outperformed that of traditional data centers at 1.88.¹⁰²

189 International bodies such as APEC (Hong Kong is a member economy) and the World Bank, also recognize the role of cloud adoption in sustainability. In particular, APEC member economies support the recommendation to encourage businesses to migrate to cloud services, recognizing that cloud service providers can achieve significant energy efficiency improvements through improved IT utilization compared to traditional IT services.¹⁰³ This is especially important against increasing data center needs in Hong Kong.

190 To this end, AmCham urges the Government to:

- Recognize cloud computing as a proven technology for achieving decarbonization targets and formally integrate cloud strategy into Hong Kong's Climate Action Plan 2025 to be updated.

Promote a More Balanced Approach Between National Security and I&T

191 AmCham acknowledges the Government's efforts to safeguard national security, but a balance should be struck between national security and I&T, particularly when it comes to technology adoption, data classification and cross-border data flow. Safeguarding national security should not become an obstacle to innovation and growth. To achieve a balanced approach between national security and innovation, the Chamber suggests that the Government:

- Continue to adopt technology-neutral policies so that businesses and organizations in Hong Kong could continue to benefit from the best solutions available and service providers could compete on a level-playing field.
- Ensure that the enforcement of the Critical Infrastructure Ordinance, scheduled to commence on January 1, 2026, aligns with international standards to mitigate compliance costs and sustain Hong Kong's attractiveness for international businesses.
- Protect the free flow of information to enhance Hong Kong's status as a major investment hub. As the ITIB's policy statement highlights, Hong Kong is the country's international financial, trade, maritime and telecommunication center.¹⁰⁴ This status depends on the free flow of information. It is crucial that active measures are taken to allow a balance to be struck between national security and protecting the free flow of information to enhance trade and investment.
- Take steps to address perception gaps and reaffirm Hong Kong's commitment to uncensored and credible information flows to reinforce international confidence in the city. There is growing global and local concern regarding the neutrality of information in Hong Kong, which may impact the credibility of its research and analysis. Proactively addressing these concerns would help retain existing investments and attract new ones from private equity, hedge funds, asset managers, and family offices, as well as the professional services that support them, including investment banks, law firms, and accountants. This could further strengthen Hong Kong's position as a premier financial center.

¹⁰¹ Asia Cloud Computing Association. (2024, June). The Role of the Cloud in Meeting Sustainable Development Goals for the Asia-Pacific Region. <https://asiacloudcomputing.org/wp-content/uploads/2024/06/ACCACO1.pdf>

¹⁰² Brocklehurst, F. (2024, February). Policy Development on Energy Efficiency of Data Centers: Draft Final Report v1.05. International Energy Agency, Energy Efficient End-Use Equipment Technology Collaboration Programme, EDNA.

http://www.iea-4e.org/wp-content/uploads/2024/02/Policy_development_on_energy_efficiency_of_data_centres_draft_final_report_v1.05.pdf

¹⁰³ APEC. TELWG Recommendations for Cloud Transformation in APEC (Draft Final Report), version 1.05, APEC, 15 Aug. 2023, mddb.apec.org/Documents/2023/SCE/SCE3/23_sce3_006.pdf.

¹⁰⁴ Innovation and Technology and Industry Bureau. (2023, December). Policy Statement on Facilitating Data Flow and Safeguarding Data Security in Hong Kong. http://www.itib.gov.hk/assets/files/Policy_Statement_Eng.pdf

Consider Further Funding and Policy Support for the I&T Sector

- 192 AmCham recognizes a need for the Government to further incubate technology ventures and support investments in emerging and existing technologies. This should be done by creating favorable policies that attract private sector funding.
- 193 Some members have highlighted Hong Kong’s optimal positioning to take part in the emerging New Space economy, advocating for a coordinated Government strategy or dedicated funding to support the development of this sector. Advocatory members suggest that the Government look into targeted accelerator programs, strengthening legal frameworks, and streamlining investment pathways to develop this emerging sector.

10. Labor & Welfare

194 Hong Kong's commercial landscape thrives upon its unique status as an inviting, low-tax employment destination for expatriates and locals alike. Hong Kong is currently listed as the third most competitive economy worldwide in the World Competitiveness Booklet 2025, albeit with employment as one of its notable primary weaknesses.¹⁰⁵ The Government's commitment to improving Hong Kong's employment landscape and driving talent growth is commendable, and AmCham appreciates the launch of rapid enhancement measures towards Hong Kong's talent and capital investment schemes, which have attracted invaluable investment alongside diverse talent. These initiatives must effectively mitigate problems arisen from the existing talent gap and ensure that the expertise of talents from all continents matches with company expectations. Further refinement of labor welfare and employee protection policies is also key to consolidating Hong Kong's overall competitiveness in employment.

195 This chapter focuses on the following recommendations to the Government:

- Refine Talent Admission Policies
- Enforce Greater Protection of Entrepreneurs and Workers Re-entering the Workforce
- Enhance Employee Benefits and Protection Policies within the Workplace
- Create Incentives to Attract Domestic Workers
- Strengthen the Development of the Silver Economy

Refine Talent Admission Policies

196 AmCham commends the recent introduction of new admission channels to Hong Kong's General Employment Policy (GEP) and Admission Scheme for Mainland Talents and Professionals (ASMTP), which enables non-degree technical professionals to be admitted into key industries that currently experience severe manpower shortages. Further evaluation of related initiatives, such as other existing admission schemes, tax concessions and promotional efforts, will invariably consolidate Hong Kong's overall talent attraction strategy and strengthen the city's ability to attract high-caliber talents.

197 Our members have raised concerns on the existing selection criteria for Hong Kong's talent admission schemes, a key example being category A of the Top Talent Pass Scheme: very rarely do companies offer an annual salary of HK\$2.5 million or above, and for senior positions that merit such salaries, vacancies are usually filled up via internal transfer over external hire.¹⁰⁶ The newly updated Talent List also prioritizes oversaturated industries such as business and financial services, which only exacerbates the existing overpopulation of talents seeking overlapping employment opportunities, whereas vacancies for high-skill jobs integral to Hong Kong's technological and innovative growth remain unfilled. To ensure the entry of talents with desired skillsets and create a diverse, balanced workforce, AmCham believes it is in the Government's interest to review existing selection criteria for its existing visa programs and the Talent List and offers suggestions as follows:

- Review whether current eligibility criteria for the Top Talent Pass Scheme are sufficient in bringing high-caliber, senior-level talents from all continents to Hong Kong and make revisions wherever appropriate.
- Prioritize the admission of talents based on sectors currently experiencing severe manpower shortages or industries vital to Hong Kong's future growth.
- Introduce a point-based assessment framework to determine an applicant's eligibility for work visas based on predefined criteria such as salary, diversity of one's background and prioritized industries.
- Conduct regular assessments of talent admission schemes to make timely adjustments to Hong Kong's broader talent attraction strategies.

198 In addition, the recent introduction of one-off reductions for profits tax, salaries tax and tax under personal assessment subjects all cases to a universal ceiling of HK\$1500; this amount may prove insufficient in offering tax incentives for high-caliber foreign talents, whose incomes typically exceed far beyond the pecuniary benefits

¹⁰⁵ IMD World Competitiveness Center. (2025, June 20). World Competitiveness Ranking 2025. <https://www.imd.org/centers/wcc/world-competitiveness-center/rankings/world-competitiveness-ranking/>

¹⁰⁶ Immigration Department. (n.d.). Top Talent Pass Scheme. <https://www.immd.gov.hk/eng/services/visas/TTPS.html>

resultant from these reductions.¹⁰⁷ It is necessary for the Government to further its existing concession policies to strengthen the effectiveness of its talent attraction strategies. AmCham thus recommends the Government to:

- Raise the ceiling for the one-off tax reduction policy, particularly for non-local talents and business owners.
- Create an additional tax break policy for prospective business owners from diverse backgrounds and prioritize businesses representing newer sectors on the rise in Hong Kong.
- Extend the eligibility criteria for early withdrawal of the Mandatory Provident Fund (MPF) to designated purposes, such as purchasing a primary residence. By granting more flexibility to employees in utilizing their personal MPF contributions, this policy action may better incentivize non-local talents to seek long-term employment, residence and investment in Hong Kong.

199 AmCham has observed that many regions across the Asia-Pacific and the wider world have introduced the Digital Nomad Visa, which allows non-locals working remotely to legally live and work in a particular region, provided that their employer or business is based outside of that region. This visa, if implemented in Hong Kong, gives unique flexibility to workers from all continents, who can experience life in the city without compromising their current jobs, and further incentivizes them to seek employment and residence in Hong Kong. This will prove significant in allowing the Government to keep up with international immigration trends and strategize Hong Kong as an immaculate destination for talent employment and growth. Therefore, AmCham encourages the Government to:

- Introduce the Digital Nomad Visa as part of Hong Kong's diverse talent admission policies.

200 The Chamber appreciates the establishment of the Hong Kong Talent Engage (HKTE) office, which offers an informative platform detailing Hong Kong's employment landscape and relevant opportunities to prospective international talents. The HKTE's promotional and outreach efforts should also be met with a similar level of extensiveness, which will ensure that the work of the office reaches international audiences and eligible foreign talents. AmCham calls for the Government to refine the functions of the HKTE in the following respects:

- Extend the scope of outreach to eligible world-renowned universities outside of Hong Kong and foster cross-collaboration with established multinational firms to better execute its outreach initiatives.
- Finetune the current HKTE website and enhance clarity on the purpose of the HKTE and the variety of jobs available, which will better accommodate the needs of diverse international talents.

Enforce Greater Protection of Entrepreneurs and Workers Re-entering the Workforce

201 Hong Kong's growing "slasher" community sees many young people opting multiple freelance jobs and entrepreneurial endeavors over full-time employment. These workers, who are not entitled to receive company benefits, may require greater employee protection and assistance for future career and life planning. AmCham applauds the establishment of various funds for budding entrepreneurs working in small and medium-sized enterprises (SMEs) and suggests that the Government incorporate such schemes into a comprehensive multi-pathway strategy that spearheads entrepreneurship in Hong Kong and exercises the following functions:

- Increase access to future professional skills training, which will enable entrepreneurs to seek employment opportunities outside of their entrepreneurial pursuits.
- Emphasize the importance of "life planning" for slashers and entrepreneurs and incentivize them and their employers, if applicable, to make voluntary contributions to the MPF.
- Encourage slashers, entrepreneurs and other relevant workers to participate in the Voluntary Health Insurance Scheme. Detailed suggestions are available in the Insurance section of this paper.
- Introduce user-friendly tax reporting mechanisms for slashers, such as a standard deduction of living and other expenses.

202 AmCham appreciates the introduction of the Re-employment Allowance Pilot Scheme, which grants individuals returning to the workforce with financial stipends and incentivizes current stay-at-home parents to participate in the labor force. The Chamber also welcomes the reformation of the Employee Retraining Board (ERB) as announced in

¹⁰⁷ GovHK. (2025, March 5). Inland Revenue (Amendment) (Tax Concessions) Bill 2025 to be gazetted. <https://www.info.gov.hk/gia/general/202503/05/P2025030500323.htm>

the 2024 Chief Executive Policy Address and the strengthening of the ERB's career planning services alongside high skill retraining programs.¹⁰⁸ These efforts signify a major step to facilitating workers' re-entry into the workforce and demonstrate the Government's commitment to fostering inclusivity and lifelong learning. AmCham looks forward to the announcement of more long-term measures from the ERB and recommends the following policy actions to further incentivize workers considering re-entry to the workforce:

- Exercise greater refinement of ERB services, such as by deepening linkage between the latest industry needs and retraining programs and fostering networks with relevant industry experts and organizations.
- Incentivize employers to hire mid-career talents re-entering the workforce by offering higher allowance for on-the-job training and departmental programs such as the Re-employment Allowance Pilot Scheme and the Employment Program for the Elderly and Middle-Aged.
- Offer tax concessions and other relevant financial incentives to workers wherever appropriate.

Enhance Employee Benefits and Protection Policies within the Workplace

203 It is key to enhance Hong Kong's employment landscape by aligning existing employee protection policies with global standards. In particular, Hong Kong's statutory paid maternity leave and paid paternity leave stand at 14 weeks and 5 days respectively, which falls significantly behind the OECD average of 18.6 weeks of paid maternity leave and 2.5 weeks of paid paternity leave (as of 2023).¹⁰⁹ Moreover, extensions for paid maternity leave are confined only to cases of illness, disability or if the actual date of delivery occurs after the expected date, which exemplify a significantly narrower scope compared to the rest of the world. AmCham calls for the Government to review its current statutory parental leave policy to safeguard the rights and wellbeing of parents and suggests the following measures:

- Extend the legal duration of statutory paid maternity leave. Paid paternity leave should also be extended to at least two weeks.
- Expand upon current eligibility criteria for the extension of maternity leave, such as including workers giving birth at a high maternal age or experiencing multiple and/or premature births.
- Introduce paid parental leave, to be shared between parents.
- Aid eligible SMEs by allowing them to apply for maternity leave pay subsidies in addition to the Reimbursement of Maternity Leave Pay Scheme, which only allows organizations to reimburse the 11th to 14th weeks of maternity leave pay.
- Introduce policies relating to the promotion of flexible working arrangements, which will remove potential stigma associated with the use of flexible working arrangements and attract more working mothers to stay in an organization.
- Consider mandating publicly listed companies to disclose their implementation of flexible working arrangements and family-friendly policies. This facilitates a more comprehensive, vibrant exchange of family-friendly company practices across businesses in Hong Kong.

204 AmCham commends the Government's commitment to fostering efficient childcare and particularly welcomes the opening of Child Care Centers (CCCs) and relevant subsidy provisions. However, the current Newborn Baby Bonus Scheme currently provides a one-off sum of only HK\$20,000, which does not offer sufficient financial support to parents of newborns.¹¹⁰ It is also unclear whether the Government's plan of offering 900 additional service places at aided, stand-alone CCCs by 2026 is attainable and how the projected capacity of CCCs was estimated in the first place.¹¹¹ The Chamber finds it necessary for the Government to resolve these concerns through refining its existing childcare-related initiatives and recommends the following:

¹⁰⁸ Radio Television Hong Kong. (2025, March 18). ERB to offer new courses to highly educated trainees. <https://news.rthk.hk/rthk/en/component/k2/1796244-20250318.htm>

¹⁰⁹ OECD. (n.d.). PF2.1. Key characteristics of parental leave systems. https://www.oecd.org/content/dam/oecd/en/data/datasets/family-database/pf2_1_parental_leave_systems.pdf

¹¹⁰ Chief Secretary for Administration's Office. (n.d.). Newborn Baby Bonus Scheme. <https://www.cso.gov.hk/newbornbabybonus/eng/index.htm>

¹¹¹ Social and Welfare Department. (2024, April 8). Legislative Council Panel on Welfare Services: Day Child Care Services. <https://www.legco.gov.hk/yr2024/english/panels/ws/papers/ws20240311cb2-257-3-e.pdf>

- Adopt long-term rather than one-off provisions of the Newborn Baby Bonus Scheme, such as by distributing subsidies by month and increasing the total amount of subsidy provided. This ensures adequate and sustained financial support for parents over, for instance, a 12-month or 18-month period.
- Lay out clear, detailed timelines on the establishment of new CCCs available for public access and prioritize areas with more critical needs during relevant decision-making processes.

205 Calls for greater awareness on menopause in the workplace have been on the rise globally, and AmCham recognizes an important need to support women enduring these experiences. Regrettably, Hong Kong has little infrastructure to educate communities on menopause and its effects on the workplace. The Chamber finds it important for the Government to shed light on menopause at work, which will contribute to Hong Kong's role as a leader and vanguard of inclusivity and employee rights. AmCham thus highly encourages the Government to:

- Publish menopause-friendly employment and workplace guidelines.
- Facilitate cross-bureau or cross-office collaboration with the Equal Opportunities Commission, the Women's Commission and the Home and Youth Affairs Bureau, to name a few. These collaborations will enhance accessibility to menopause resources and education in the workplace.

Create Incentives to Attract Domestic Helpers

206 Hong Kong presently faces a domestic labor shortage, with the Labor and Welfare Bureau (LWB) projecting a manpower shortage of 180,000 by 2028.¹¹² Particularly, there has been over 30,000 fewer domestic helpers at the end of 2024 than January 2020, which possibly kept thousands of mothers out of the workforce.¹¹³ Simultaneously, the South Korean Government has approved pilot plans of importing domestic helpers from Southeast Asian countries, under which the expected monthly salary would be roughly 2 million won, triple the amount offered in Hong Kong and Singapore. Furthermore, domestic workers will be provided separate accommodations from their employers. These initiatives incentivize domestic workers to prefer South Korea as a location of employment.¹¹⁴

207 From a business perspective, it is imperative to keep Hong Kong's domestic helper policies competitive to that of other jurisdictions. AmCham thus recommends the Government to set up more incentives for current domestic helpers to stay in Hong Kong. This will prove significant in reducing existing labor and domestic helper shortages and improving the issue of declining fertility rates and low workplace participation rates for women in Hong Kong.

Strengthen the Development of the Silver Economy

208 The Government's commitment to developing a "Silver Economy" in Hong Kong, though commendable, must also account for potential factors that may offset these efforts. In particular, the Chamber notes that high insurance costs for workers reaching retirement age may disincentivize employers from hiring older adults and obstruct these workers from employment in practice. AmCham calls for the Government to balance employment costs and jobseekers' rights in its promotion of the Silver Economy and:

- Provide tax incentives to employers who intend to hire workers of retirement age, which can partially cover the costs of employer-sponsored insurance programs.

¹¹² GovHK. (2024, November 14). Government publishes report on latest manpower projection. <https://www.info.gov.hk/gia/general/202411/14/P2024111400292.htm>

¹¹³ Legislative Council Secretariat. (2025, February 24). Manpower: Statistical Highlights. https://app7.legco.gov.hk/rpdb/en/uploads/2025/ISSH/ISSH02_2025_20250224_en.pdf

¹¹⁴ Toh, E.M. (2023, July 5). In Singapore and Hong Kong, Korean dream tempts domestic helpers. Al Jazeera. <https://www.aljazeera.com/economy/2023/7/5/singapore-and-hong-kongs-domestic-helpers-eye-korean-dream#:~:text=Their%20expected%20monthly%20pay%20of,to%20live%20with%20their%20employers>

11. Transport & Logistics

209 Hong Kong thrives as a premier transport and logistics hub. The city is well-equipped with world-class transport infrastructure such as the Hong Kong-Zhuhai-Macau Bridge and the Hong Kong International Airport (HKIA) and enjoys high connectivity with the GBA, Mainland China and the rest of the world. The logistics sector has also seen revitalized success, with a year-on-year increase of 6.2% in 2024 and the HKIA reclaiming its standing as the world's busiest cargo airport in the same year.¹¹⁵ The transport and logistics industry, thus, remains an integral economic pillar of Hong Kong. AmCham finds it crucial that these industries retain their premier status amidst the changing geopolitical landscape and increasing regional competition. Priority should be given to maintaining Hong Kong's strategic position as a trade and logistics hub, as well as creating a vibrant ecosystem for transport. AmCham highly encourages the Government to act as a conveyor of policy changes in this process and actively assist businesses in adjusting to the new international trade environment.

210 This chapter will focus on the following recommendations to the Government:

- Develop an Inclusive and Forward-looking Regulatory Framework for Ride-hailing in Hong Kong
- Address Uncertainties in the Current Logistics Landscape of Hong Kong
- Provide Incentives to Relevant Stakeholders in Transport and Logistics
- Advance Sustainable Fuel Adoption for the Aviation and Maritime Sectors
- Optimize the Competitiveness of the HKIA in Passenger Transport
- Establish Hong Kong as a Walkable City
- Hasten the Implementation of the Electric Road Pricing (ERP) System

Develop an Inclusive and Forward-looking Regulatory Framework for Ride-hailing in Hong Kong

211 AmCham welcomes the introduction of a regulatory framework for ridesharing, which signifies a vital step for the formal legalization of Hong Kong's ride-hailing sector. The Chamber supports the Government's intention to create a supplementary blueprint that details mandatory insurance, driver requirements, licensing procedures and other policies crucial to enhancing safety and service standards for ride-hailing.

212 However, other proposed regulations, such as the imposition of levies on trips and a quota on the number of ridesharing vehicles for platforms, may restrict earning opportunities for drivers, increase wait times and transportation costs for riders and ultimately undermine provisions of quality customer experience. Finding an appropriate balance within the proposed regulatory framework would ensure that Hong Kong's transport ecosystem continues to thrive upon healthy competition and diverse, efficient transport options. AmCham calls for the Government to adopt an inclusive and forward-looking approach to the development of the ridesharing regulatory framework and suggests that the Government:

- Consult key stakeholders from the ride-hailing sector to determine the appropriate principles underpinning the proposed ride-sharing regulatory framework, as well as policy actions that ensure the framework benefits all parties involved.

Address Uncertainties in the Current Logistics Landscape of Hong Kong

213 AmCham appreciates existing governmental efforts in responding to the new international trade landscape with the "five major strategies". The Chamber particularly applauds the strengthening of collaboration with ports in the GBA and expansion of maritime and aviation networks.¹¹⁶ AmCham finds it equally as imperative to address the needs of existing logistics firms and shipping lines, which may be considering de-registration and departure from Hong Kong, especially in view of US policy using new shipping charges to discourage ship building and registration in China, including Hong Kong. In January 2025, the number of vessels flagged in Hong Kong fell by more than 8% compared

¹¹⁵ Hong Kong International Airport. (2025, April 14). HKIA Wins Top Sport as World's Busiest Cargo Airport in 2024. https://www.hongkongairport.com/en/media-center/press-release/2025/pr_1782;

Census and Statistics Department. (2025, March 20). Gross Domestic Product by Economic Activity, Fourth Quarter 2024. <https://www.censtatd.gov.hk/wbr/B1030004/B10300042024QQ04/att/en/B10300042024QQ04.pdf>

¹¹⁶ GovHK. (2025, May 21). LCQ6: Supporting freight and logistics sector. <https://www.info.gov.hk/gia/general/202505/21/P2025052100480.htm>

to four years earlier due to US-China frictions at the time, and AmCham predicts the decline will only be exacerbated considering recent changes in US-China trade relations.¹¹⁷ Responding to current uncertainties within the logistics sector will enable the Government to adopt a more comprehensive strategy that maximizes the capabilities of the industry. Therefore, the Chamber recommends that the Government:

- Devise mitigative measures that address the current mass de-registration and exit of multinational logistics firms from Hong Kong, as well as the closing of local logistics enterprises.
- Maintain active communication and dialogue with enterprises in the logistics sector.

Provide Incentives to Relevant Stakeholders in Transport and Logistics

214 AmCham commends the Government for endorsing mitigative measures adopted by the Hong Kong Export Credit Insurance Corporation, particularly the extension of pre-shipment risk coverage for Small Business Policy holders and provision of discounts to non-holders; the Chamber encourages the Government to continue with these policies under the volatile international trade landscape.¹¹⁸ AmCham also applauds the Government for launching the Port Community System (PCS) project, which optimizes the port's extensive infrastructure and strengthens the overall competitiveness of Hong Kong's shipping industry. The Government should also provide a wide range of pecuniary and non-pecuniary incentives to relevant stakeholders, which can ensure that the transport and logistics sector will continue to flourish amidst economic uncertainty.

215 Hong Kong's shipping industry is facing increasing competition from the neighboring ports of Shenzhen, Guangzhou and Nansha, which offer more competitive pricing and are substantially subsidized by Mainland Chinese authorities. In light of recent US-China trade relations, the Nansha Port offered an extension of the free storage period to 30 days from May 15th, 2025 to July 31st, 2025, applicable to containers laden with general cargo for export to North America.¹¹⁹ These initiatives create an uneven playing field for the Port of Hong Kong and may compromise the city's competitive positioning in the long term. AmCham believes it would be beneficial for the Government to consider similar strategies to attract more freighters and consolidate Hong Kong's position as a premier port. Therefore, AmCham recommends that the Government:

- Waive existing fees levied on Shipping Lines and Barge Operators for using the Port of Hong Kong.
- Reduce or eliminate fees associated with calling at the Port of Hong Kong.
- Incentivize port operators to loosen restrictions on such as but not limited to combined demurrage and detention charges, storage-free period and charges for exports to North America and other relevant regions.

216 AmCham recognizes the Government's long-term commitment to financing SMEs under the SME Financing Guarantee Scheme (SFGS). The Chamber particularly appreciates the loosening of restrictions concerning moratorium arrangements and loan guarantee periods.¹²⁰ However, this scheme does not apply specifically to the logistics industry as well as large-scale logistics enterprises and ports, which are most adversely affected by recent US-China trade relations. Thus, it is crucial for the Government to direct more funding and financing towards the logistics industry. These measures will be able to retain existing local and multinational logistics enterprises while encouraging potential firms to set up logistics bases in Hong Kong. Thus, AmCham urges the Government to:

- Offer short-term specialized financing measures for Hong Kong-based logistics enterprises, such as subsidies and pecuniary benefits.
- Incorporate these measures into existing financing schemes such as the SFGS. This can further safeguard the interests of small and medium-scale logistics enterprises.

¹¹⁷ Torode, G. and Saul, J. (2025, March 6). Shipping firms pull back from Hong Kong to skirt US-China risks. Reuters.

<https://www.reuters.com/markets/shipping-firms-pull-back-hong-kong-skirt-us-china-risks-2025-03-06/>

¹¹⁸ GovHK. (2025, May 21). LCQ6: Supporting freight and logistics sector. <https://www.info.gov.hk/gia/general/202505/21/P2025052100480.htm>

¹¹⁹ American Journal of Transportation. (2025, June 6). Port of Nansha offering 30-days of free storage for North America bound containers.

<https://www.ajot.com/news/port-of-nansha-offering-30-days-of-free-storage-for-north-america-bound-containers>

¹²⁰ GovHK. (2025, May 21). LCQ6: Supporting freight and logistics sector. <https://www.info.gov.hk/gia/general/202505/21/P2025052100480.htm>

Advance Sustainable Fuel Adoption for the Aviation and Maritime Sectors

217 AmCham commends the Government's action plan to develop Hong Kong into a green fuel maritime center, with a focus on bolstering Hong Kong's bunkering capabilities for green fuel alternatives.¹²¹ The Chamber particularly appreciates the recent launch of Hong Kong's first liquefied natural gas (LNG) bunkering operations, which represents an essential milestone in establishing the city as a regional green fuel hub.¹²² To encourage this continued positive momentum, help the sector achieve its goal of net-zero emissions by 2050 and ride on the efforts realized since publishing the *Action Plan on Green Maritime Fuel Bunkering*, the Chamber recommends that the Government:

- Facilitate the development of green bunkering infrastructure, including enabling regulations and investment incentives, to transform Hong Kong into a Green Fuel Hub.
- Collaborate with regional ports, fuel suppliers and broader ecosystem stakeholders to provide infrastructure and services for vessels using LNG, biofuels, methanol and other medium to long-term green fuels such as hydrogen and ammonia.
- Engage logistics and transport stakeholders, including terminal operators, trucking companies, and bus companies, to understand their decarbonization plans and offer targeted financial support. This support aims to accelerate the replacement of fossil fuel vehicles and mobile equipment with electric or green fuel alternatives, facilitating the transition to zero/low carbon vehicles.

218 In 2024, HKIA was named the world's busiest cargo airport for the 14th consecutive year, contributing an estimated 22 million tons of carbon dioxide annually through aviation alone.¹²³ As a leading aviation hub, Hong Kong must scale Sustainable Aviation Fuel (SAF) deployment to remain climate conscious. Though some major airlines have committed to a 10% SAF blend by 2030, SAF is priced between 2.5 to 8 times the cost of traditional jet fuel, rendering this goal largely infeasible.¹²⁴ To ensure the aviation sector's meaningful contribution to Hong Kong's climate targets, the Chamber recommends that the Government:

- Set clear and realistic SAF consumption targets in Hong Kong's Climate Action Plan 2050.
- Support airline SAF adoption by providing financial subsidies and incentives to narrow the price gap between conventional fuels and sustainable fuel alternatives.
- Conduct studies on the feasibility of constructing an SAF blending tank in Hong Kong.

Optimize the Competitiveness of the HKIA in Passenger Transport

219 Although the HKIA remains the leading site for air freight as of 2024 and is rated 6th globally in the Skytrax World Airport Awards 2025, it is nonetheless outcompeted by fierce regional contenders such as the Singapore Changi Airport, the Tokyo Narita International Airport and the Seoul Incheon International Airport.¹²⁵ AmCham has observed that varying provisions of passenger experience have resulted in such differences. Hong Kong's regional alternatives offer relatively more comprehensive luxury services to passengers. For example, the Singapore Changi Airport, which currently tops the Skytrax World Airport Awards 2025, offers monetary incentives such as food deals, giveaways and redemption schemes to passengers. This is complementary to an extensive range of services including clinics and pharmacies at all terminals, wellness facilities as well as a designated workspace for travelers. The comprehensiveness of amenities, facilities and services posits the Singapore Changi Airport as an inviting alternative to the HKIA.

¹²¹ Transport and Logistics Bureau. (2024, November 15). Action Plan on Green Maritime Fuel Bunkering. https://www.tlb.gov.hk/doc/Action_Plan_on_Green_Maritime_Fuel_Bunkering.pdf

¹²² KunLun Energy Company Limited. (2025, February 17). Kunlun Energy Completes Hong Kong's First "Ship-to-Ship" Offshore LNG Bunkering Operation. <https://www.kunlun.com.hk/s2/n217/c7622/content.html>

¹²³ Hong Kong International Airport. (2025, April 14). HKIA Wins Top Sport as World's Busiest Cargo Airport in 2024. https://www.hongkongairport.com/en/media-center/press-release/2025/pr_1782

¹²⁴ Cathay Pacific. (2021, September 20). Cathay Pacific commits to using Sustainable Aviation Fuel for 10% of its total fuel consumption by 2030. <https://news.cathaypacific.com/cathay-pacific-commits-to-using-sustainable-aviation-fuel-for-10-of-its-total-fuel-consumption-by-2030>; BloombergNEF. (2021, April 27). Sustainable Jet Fuels Need High Carbon Price to Compete. <https://about.bnef.com/insights/commodities/sustainable-jet-fuels-need-high-carbon-price-to-compete/>

¹²⁵ SKYTRAX World Airport Awards. (n.d.) World's Top 100 Airports 2025. <https://www.worldairportawards.com/worlds-top-100-airports-2025/>

220 AmCham commends the Airport Authority for its plans of developing an “Airport City” and “SKYTOPIA”, which will increase the competitiveness of the HKIA and establish Hong Kong as a world-class luxury aviation hub. With respect to the existing infrastructure of the HKIA, the Chamber encourages the Government to:

- Expand upon existing provisions of amenities and services at the HKIA, such as wellness and recreational centers, medical services, workspaces and other relevant facilities.
- Incorporate shopping and dining benefits, one-off gift rewards and redemption schemes into existing promotional schemes.

Establish Hong Kong as a Walkable City

221 Hong Kong is globally commended for its walkability. This year, with 82% of citizens rating the city highly for ease of walking, Hong Kong was ranked the 10th most walkable city in the world.¹²⁶ AmCham commends the Government’s commitment to the “Walk in HK” strategy but has identified key areas where the program requires strengthening. To this end, the following policy actions are recommended:

- Adjust traffic laws to favor pedestrians over vehicles by establishing more equal fines or reducing penalties for jaywalking. Current traffic laws indicate clear favorability for cars, who receive a maximum \$400 fine for parking, compared to pedestrians who receive a maximum \$2,000 fine for jaywalking.
- Re-consider the Des Voeux Road pedestrian zone plan, which was initiated in 2014.
- Improve shade cover in pedestrian areas to encourage walking over vehicular transport.

Hasten the Implementation of the Electric Road Pricing (ERP) System

222 Electronic Road Pricing (ERP) systems, with its wealth of automatic number plate recognition, Dedicated Short Range Communication and real-time Vehicle Positioning System technologies, have effectively mitigated traffic congestion in various large cities such as Singapore and New York City. Although Hong Kong was the first jurisdiction to propose the scheme in the 1980s, ERP systems have yet to be implemented despite longstanding advocacy, while existing tolls remain unsuccessful in effectively managing traffic flow. Therefore, AmCham suggests that the Government should:

- Hasten the implementation of the ERP system to enhance the environmental sustainability of the transportation and logistics sector, in alignment with the Government’s Smart City and Climate Action Plan 2050.

¹²⁶ Cheung, C. (2025, June 19). Hong Kong ranked as the 10th most walkable city in the world. Time Out. <https://www.timeout.com/hong-kong/news/hong-kong-ranked-as-the-10th-most-walkable-city-in-the-world-042325>