



By: TA | AP Insight

Hong Kong is aligning with China's economic plans



Hong Kong on Monday launched a public consultation for its five-year plan in a politically symbolic step that brings the special administrative region closer to mainland China's development approach.

Secretary for Constitutional and Mainland Affairs Janice Tse said at a news conference that mainland China kicked off its 15th **five-year plan** for 2026 to 2030 this year.

Hong Kong has long prided itself on minimal government intervention in the economy, even while referencing Beijing's vision for the city.

The city's blueprint will help Hong Kong synchronize with and serve the national development plan while upholding a free-market economy, Tse said.

"Aligning with the national 15th five-year plan does not replace the free market," she said. "Rather, it channels a clear vision and strategic planning through major policies, and that allows the market to develop more stably and clearly."

The public consultation will last two months. Residents can submit opinions about the plan via a website, email or letters.

The government also will hold activities to hear opinions from residents, politicians and industries. Officials aim to announce a finalized plan in the third quarter.

Officials say it will help residents and businesses

Under the plan, Hong Kong will strengthen its position as an international financial, maritime and trade center, Tse said.

Hong Kong officials have proposed accelerating the development of the **Northern Metropolis**, an ongoing project that envisions building a new IT hub and a university town near the Chinese tech hub of Shenzhen just across the border.

They also hope to deepen development of the Greater Bay Area, which is Beijing's plan to form an integrated business and economic hub including Hong Kong, Macao and nine other mainland Chinese cities.



The five-year plan would better integrate a capable government with an efficient market - John Lee

Hong Kong leader John Lee said on June 9 that the five-year plan would better integrate a "capable government" with "an efficient market" as the government plays a leading role in stimulating the market's competitiveness.

The plan also will help residents understand their personal development opportunities and ease business planning, Lee said.

A Beijing official on Hong Kong and Macao affairs was expected to arrive in the city Tuesday for a two-day trip to study the financial hub's alignment with the national plan for 2026 to 2030 and promotion of the Northern Metropolis development.

Since returning to Chinese rule in 1997, the former British colony has become more closely linked to mainland China through economic and cultural ties, as well as border checkpoints and transport infrastructure.

While Hong Kong has its own government, legislature and legal system under Beijing's "one country, two systems" governing principle, China's influence over the city has increased.

Following anti-government protests in 2019, Beijing imposed a **national security law** that has virtually silenced all dissent. Many leading

activists have been jailed under the law. The city's legislature is filled with Beijing loyalists after an **electoral overhaul**.

Potential greater role for the government

Gary Ng, a senior economist at Natixis Corporate and Investment Banking, said more governments have stepped up industrial policies, so it's probably time for Hong Kong to act similarly in order to stay competitive.

With the five-year plan, Ng said it is likely that the city will see a more consistent policy in the future, but it is also a test of the government's ability to choose the direction for Hong Kong.

While he doesn't see the city changing its market-driven economic model at any point in time, he said the government may play a greater role in steering the economy's direction.

A lot of things that we're seeing may not be fully as market-driven as before - Gary Ng

"A lot of things that we're seeing may not be fully as market-driven as before."

John Burns, a University of Hong Kong politics and public administration professor, said the city had previously disadvantaged itself without strategic planning.

But public consultation in Hong Kong has long been discredited because authorities do not commit to changing course after receiving the public's views, he said.

"This is the government selling its notion of a local five-year plan to the community that dovetails with central government priorities," he said, adding that the consultation document mostly lacks specific targets and timelines.