

2024

CHIEF EXECUTIVE'S POLICY UNIT

Work Report of the Chief Executive's Policy Unit



Chief Executive's Policy Unit

The Government of the Hong Kong Special Administrative Region
of the People's Republic of China

CONTENTS

1. Foreword	01
2. Consolidating and Enhancing Our Status as an International Financial, Shipping and Trade Centre	02
3. Developing New Quality Forces Tailored to Local Conditions	09
4. Building Hong Kong into an International Hub for High-calibre Talents	16
5. Annual Review of Major Events	21
a) Events of the Chief Executive's Policy Unit Expert Group	
b) Events relating to the 2024 Policy Address	

Foreword

The Chief Executive's Policy Unit (CEPU), led by the Chief Executive and closely in line with the Central Government's strong culture of conducting researches and studies, has been striving to assist the Chief Executive and the Hong Kong Special Administrative Region (HKSAR) Government in policymaking since its establishment. As an in-house research unit, the CEPU is mainly responsible for producing internal research reports for the reference of the Chief Executive, and assisting him in co-ordinating and drafting the annual Policy Address. Keeping an open mind, we maintain communication with various stakeholders in the community as well as Mainland and international organisations to listen to and tap into different views, ideas and perspectives as far as possible.

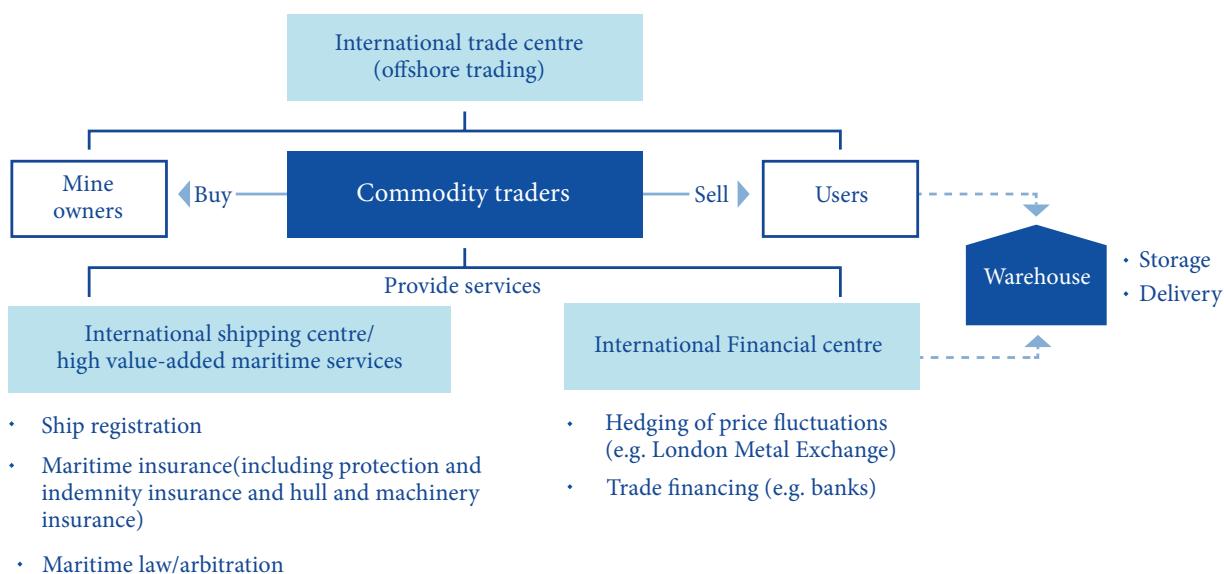
Looking back on 2024, we took into account and consolidated the views from the CEPU Expert Group, think-tanks from the community and universities, as well as various sectors in society when drawing up the key initiatives in the 2024 Policy Address. The Third Plenary Session of the 20th Central Committee of the Communist Party of China (CPC Central Committee) adopted the Resolution of the CPC Central Committee on Further Deepening Reform Comprehensively to Advance Chinese Modernization (the Resolution), stating clearly the strategic positioning of Hong Kong. The 2024 Policy Address then put forth a number of ground-breaking measures, which included consolidating and enhancing our status as an international financial, shipping and trade centre; building Hong Kong into an international hub for high-calibre talents; and developing new quality productive forces tailored to local conditions. In this bulletin, we share some highlights in the course of our research into these measures as well as our exchanges with Mainland and overseas stakeholders, so that people can have a deeper understanding of our work. As the Year of the Snake dawns, we wish you happiness and good health, and a greater success and a more fruitful year for all trades and industries in Hong Kong.

Consolidating and Enhancing Our Status as an International Financial, Shipping and Trade Centre

Adopted by the Third Plenary Session of the 20th CPC Central Committee, the Resolution states, among others, that Hong Kong should harness the institutional strengths of “One Country, Two Systems” while consolidating and enhancing our status as an international financial, shipping and trade centre. One of the CEPU’s work portfolios is to gain a thorough understanding and a good grasp of the major policy directions of our cCountry. The CEPU attaches great importance to studying the Resolution of the Third Plenary Session of the 20th CPC Central Committee, which will enable us to dovetail with the national policy directions and contribute to the country’s development by fully leveraging Hong Kong’s uniqueness. The initiatives laid down in the latest Policy Address have embodied the essence and principles of the Resolution. Following the promulgation of the Resolution, the CEPU held three internal sharing sessions on the spirit of the Third Plenary Session of the 20th CPC Central Committee between July and September. Five experts in the finance sector were invited to share their views at one of the sessions for a focused deliberation on the implications of deepening reform in the financial sector.

The Policy Address put forth a number of measures to deepen the reform in the financial sector, including building Hong Kong into an international gold trading centre and promoting the creation of a commodity trading ecosystem. These measures capitalise on our distinctive advantages in finance, shipping and trade with emphasis on mutual complement, positive interaction and integrated development among the three sectors. Commodities including metals and minerals account for more than half of the global shipping trade volume. As traders need ships for transporting their commodities, it gives rise to the demand for an array of services such as ship broking, management and insurance, which will further promote the development of maritime services in Hong Kong and consolidate our status as a shipping centre. Besides, the associated trade financing will benefit our financial sector, thereby further reinforcing Hong Kong's status as a global financial centre.

The CEPU held an internal sharing session on the spirit of the Third Plenary Session of the 20th CPC Central Committee, with five experts in the finance sector invited to share their views. The experts included (in no particular order) Dr Levin Wang, CEPU Expert Group member and Chief Executive Officer (CEO) of Huatai Financial Holdings; Mr Hong Xiaoyuan, CEPU Expert Group member and Chairman of China Merchants Finance Holdings; Mr Kevin Chan, CEPU Expert Group member and Executive Vice President of the Chinese Banking Association of Hong Kong; Mr Zhang Jianguang, Dean of the Hong Kong Financial Research Institute of Bank of China; and Ms Yang Qiumei, Advisor to the CEO at the Hong Kong Exchanges and Clearing Limited.



Creation of a commodity trading ecosystem

The Policy Address proposed the creation of a commodity trading ecosystem and exploring the introduction of tax concessions and support measures to attract relevant enterprises in the Mainland and overseas to set up businesses in Hong Kong for commodity trading. During the research on related matters, the CEPU met with the Hong Kong Chinese Enterprises Association, whose corporate members had indicated a keen demand for support measures and services for commodity trading and great expectations for Hong Kong to assist them in further exploring overseas markets.

During the research process, the CEPU, taking a demand-led and problem-oriented approach, particularly met with commodity owners in need of international gold trading services. They included relevant departments of various Chinese enterprises, such as the Precious Metals Business Department of the Industrial and Commercial Bank of China (ICBC), the Global Markets Department of Bank of China (Hong Kong), and Gold Mountains (H.K.) International Mining Company Limited.



We co-organised a seminar with the Hong Kong Chinese Enterprises Association on the development of commodity trading. Mr Edward Liu, member of the CEPU Expert Group, also participated in the discussion.



We met with Mr Wang Yongqi, Deputy General Manager of the Precious Metals Business Department of the ICBC, and his team to exchange views on the development of and opportunities for Hong Kong as an international gold trading centre.



We met with Ms Helen Zhang, Deputy Managing Director of Gold Mountains (H.K.) International Mining Company Limited, and Ms Annie Zhu, General Manager of Global Markets of Bank of China (Hong Kong), to discuss the current situation of and future opportunities for commodity trading.

Enhancing Hong Kong's status as an international trade centre

Tapping into electronic commerce is crucial to reinforcing and enhancing Hong Kong's status as an international trade centre. In this light, the CEPU met with the Global Legal Entity Identifier Foundation (GLEIF) to exchange views on enhancing the transparency and efficiency of digital trade. We also met with Mr Ed Lam, Executive Board Director of Li & Fung (the oldest trader in Hong Kong) and CEO of LFX (an innovative supply chain company under Li & Fung), to study the challenges faced by Hong Kong.



We met with Mr Alexandre Kech, CEO of the GLEIF, and his team to exchange views on promoting digital trade.



We met with Mr Ed Lam, CEO of LFX and Executive Board Director of Li & Fung, to exchange views on the transformation of Hong Kong's trade.

Consolidating Hong Kong's status as an international financial centre

The CEPU met with financial technology (fintech) experts, the Alternative Investment Management Association (AIMA), the Tsinghua University PBC School of Finance (Tsinghua PBCSF) and others to exchanges views on further consolidating Hong Kong's status as an international financial centre. We also met with representatives of the Federation of Hong Kong Shenzhen Associations to discuss the financial co-operation between Hong Kong and Shenzhen.



We met with various fintech experts, namely Mr Chen Leiming, Senior Vice President of the Ant Group; Mr William Gee, Advisor of PwC Hong Kong; Mr Peter Yan, the then CEO of the Hong Kong Cyberport.



We met with Mr Jiao Jie, Dean of the Tsinghua PBCSF, and his team to conduct in-depth exchanges on ways to further consolidate Hong Kong's status as an international financial centre.



We met with representatives of the AIMA, including Mr Michael Bugel, Managing Director and CoHead of APAC of the AIMA; Mr Jeremy Lam, Partner and Head of the Financial Services Practice of Deacons; Mr Darren Bowdern, Head of Asset Management Tax, KPMG ASPAC and Head of Alternative Investments, Hong Kong, KPMG China; Mr Phillip Meyer, General Counsel, Chief Compliance Officer, and Co-Chief Operating Officer of Oasis Management Company; and Mr Murray Steel, Chief Operating Officer, APAC, Qube Research & Technologies.



We met with Legislative Council (LegCo) Members (in no particular order) Hon Carmen Kan, Ir Hon Gary Zhang and Hon Lam So-wai, and representatives of the Federation of Hong Kong Shenzhen Associations to have in-depth exchanges on areas including talent policies and the development of the financial industry.

Risk management in the financial industry

Risk management is an important aspect of the financial industry. Hong Kong has the highest concentration of insurance companies and the highest insurance density in Asia. In this connection, the Policy Address proposed to further enhance our status as an international risk management centre. In our research stage, the CEPU met with a number of insurance-related organisations and companies, including representatives from the China Export & Credit Insurance Corporation and the Hong Kong Federation of Insurers (HKFI), as well as the management of various major insurance companies, to keep track of the latest development of the industry.



We met with Mr Song Shuguang, the then Chairman of the China Export & Credit Insurance Corporation, to exchange views on different issues such as Hong Kong's role as an international trade centre.



We met with Mr Steven Chan, Global Head of Government Relations and Public Policy for Prudential plc to exchange views on the market development of the insurance industry in Hong Kong.



We met with Mr Lu Qin, CEO of Greater China, Aon, to exchange views on the development of the reinsurance market.



We met with Mr Patrick Zeng, CEO of Allianz Commercial Hong Kong and Greater China, to discuss the development of the insurance market in Hong Kong.



We met with representatives of the HKFI to discuss the latest development of the insurance industry.

Development of an international shipping centre and a green maritime fuel bunkering centre

The Policy Address proposed the development of an international shipping centre and a green maritime fuel bunkering centre through a multi-pronged approach. During the course of our research, we listened to the views of the China Merchants Port Group (CMPG) and members of the Hong Kong Green Finance Association (HKGFA), including PricewaterhouseCoopers (PwC), Arup, the Hong Kong Shipowners Association (HKSOA) and Stephenson Harwood LLP.



We met with members of the HKGFA, including representatives of PwC, Arup, the HKSOA and Stephenson Harwood LLP, to discuss how to enhance the competitiveness of Hong Kong as a green shipping hub in the supply of green maritime fuel.



We met with Mr Xu Song, CEO of the CMPG, and his team to exchange views on the development of Hong Kong's shipping industry.

Driving a high value-added shipping business

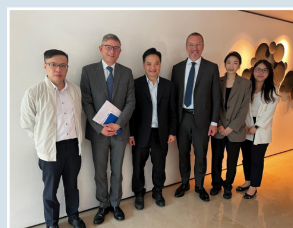
In the provision of maritime services, professional services such as ship broking, financing and leasing, marine insurance, maritime law and arbitration are the high value-added segments of shipping business and the main source of growth, and they have grown by nearly 40% over the past three years (from 2019 to 2022) in terms of economic contribution. The CEPU met with representatives of the SeaKapital, a ship leasing services provider based in Hong Kong; DNV, a company specialised in maritime consultancy services; and the International Union of Marine Insurance (IUMI), and had an in-depth discussion with Mr Edward Liu, CEPU Expert Group member and Principal Representative of the International Chamber of Shipping (ICS) (China) Liaison Office, on the development trends of the above services.



We met with Ms Sabrina Chao, founder and Chairman of the SeaKapital, to exchange views on the development of the shipping industry and the prospects for ship leasing businesses in Hong Kong.



We met with Mr Martin Chen, DNV's Area Business Development Director, Hong Kong and Taiwan, and his team to discuss maritime financing in Hong Kong.



We met with the IUMI to discuss the latest development of the global marine insurance industry.



Mr Edward Liu, CEPU Expert Group member and Principal Representative of the ICS (China) Liaison Office, gave professional advice to the CEPU.

Promoting the development of the logistics services industry

Promoting gold and commodity trading, settlement and delivery will definitely boost the development of the logistics services industry. The CEPU conducted study visits to the Airport Island at Chek Lap Kok, the Cathay Cargo Terminal (CCT) and the brownfield sites in the New Territories, and met with representatives of the Lok Ma Chau China-Hong Kong Freight Association (LMCCHKFA) and the Cainiao Smart Gateway to gain a deeper understanding of the challenges and opportunities for the development of the industry.



The research team visited the Airport Island at Chek Lap Kok to study the opportunities and challenges faced by Hong Kong as an international aviation and cargo hub.



We met with Mr Yin Daxue, CEO of the Cainiao Smart Gateway, and his team to discuss the development of the logistics industry in Hong Kong and the trends of cross-border trade.



We visited the CCT and met with Mr Mark Watts, Chief Operating Officer of the CCT, Andy Wong, General Manager Corporate Affairs, and Mr Frank Yau, Head of Cargo Sales Hong Kong of Cathay Pacific, and their team to exchange views on the long-term strategic development of Cathay Pacific's cargo business.



We met with Mr Stanley Chaing, Chairman of the LMCCHKFA, and its Executive Committee members, and visited the brownfield sites in the New Territories together.

Ongoing assessment of the internal and external economic environments

At the same time, the CEPU continued to assess the internal and external economic environments so as to seize the opportunities arising in the course of promoting the development of international financial, shipping and trading centres. Meanwhile, we attended a thematic seminar on the “dual circulation” strategy and its implications for Hong Kong in Beijing, which was hosted by the Chinese Academy of International Trade and Economic Cooperation (CAITEC). In the occasion, we exchanged views with a number of expert group members on a group or one-on-one basis, and met with representatives of the Shanghai Academy (co-founded by the Chinese Academy of Social Sciences (CASS) and the Shanghai Municipal People's Government) and the Institute for Contemporary China Studies, Tsinghua University (ICCS).



We attended a thematic seminar in Beijing hosted by the CAITEC and discussed topics such as the “dual circulation” strategy and its implications for Hong Kong.



We met with Professor Hu Angang, Dean, and Professor Zhou Shaojie, Associate Dean of the ICCS, together with Hon Tang Kapiu, LegCo Member, and Dr Hon Chow Man-kong, LegCo Member and CEPU Expert Group member, to exchange views on how Hong Kong could better dovetail with the national development.



We met with Mr Li Peilin, President of the Shanghai Academy (co-founded by the CASS and the Shanghai Municipal People's Government), and Professor Huang Ping, CEPU Expert Group member, to exchange views on the challenges and prospects for the economic development of Hong Kong.



We met with CEPU Economic Advancement Expert Group member Professor Francis Lui, and other Expert Group members Dr Francis Cheung and Dr Henry Ho to exchange views on the economic development of Hong Kong.

Developing New Quality Productive Forces Tailored to Local Conditions

The core element of new quality productive forces is to achieve high-quality economic development through technological empowerment. The Policy Address proposed the development and enhancement of Hong Kong as an international innovation and technology (I&T) centre, a regional intellectual property trading centre and an international health and medical innovation hub, as well as the promotion of integrated development of digital economy and real economy. Over the past year, the CEPU has been exploring ways to leverage the strengths of Hong Kong's universities in scientific research for promoting the transformation of research and development (R&D) outcomes and facilitating the upgrading and transformation of traditional industries while nurturing emerging ones.

Making full use of the regular research interface mechanism

To facilitate strategic thinking and advance planning for the industry development of Hong Kong, we have drawn on the research findings of the CEPU Expert Group as well as other think tanks from the community and universities, and engaged the Expert Group members, think tank representatives and industry stakeholders in internal discussions through our regular research interface mechanism. Seminars held included an internal seminar on exploring the path of new industrialisation in Hong Kong and a small group exchange meeting on facilitating the transformation of R&D outcomes for post-secondary institutions. We also attended a thematic seminar in Beijing, which was organised by the Chinese Academy of Science and Technology for Development (CASTED), an institution directly under the Ministry of Science and Technology (MOST), and exchanged views with the China Development Institute (CDI), a top national think-tank, in Shenzhen.



We attended a thematic seminar in Beijing, which was organised by the CASTED, an institution directly under the MOST, to discuss topics such as strategies for “building prosperity through science and technology” and “new quality productive forces” with participating experts.



We visited the CDI in Shenzhen to exchange views on a study on the development of new industrialisation in Hong Kong.



We held an internal seminar on exploring the path of new industrialisation in Hong Kong, with participating experts including (in no particular order): Hon Holden Chow; Hon Sunny Tan; Prof Hon William Wong; industry representatives Dr Warren Ma and Mr Geoffrey Kao; CEPU Expert Group members Mr Dowson Tong, Dr Jonathan Zhu, and Dr Guo Wanda, together with his research team members Dr Zhang Yuge, Director, and Dr Wen Yajing, Deputy Director of the Department of Hong Kong, Macao and Regional Development of the CDI. Also present was Dr Ge Ming, Commissioner for Industry of the Innovation, Technology and Industry Bureau.



We held a small group exchange meeting on facilitating the transformation of R&D outcomes for post-secondary institutions. Expert Group members of the relevant fields were invited to the meeting for a focused discussion and exchange on issues relating to the challenges encountered by post-secondary institutions in transforming R&D outcomes. The objective of the meeting was to expedite the measures announced in the 2023 Policy Address concerning the speeding up of R&D outcomes transformation, which would contribute to Hong Kong's development into an international I&T centre. Nine participating Expert Group members included (in no particular order): Professor Wong Yuk-shan, Vice-Chairperson of the HKSAR Basic Law Committee and Emeritus President of The Open University of Hong Kong (now Hong Kong Metropolitan University); Professor Dennis Lo, the then Associate Dean (Research) of the Faculty of Medicine of The Chinese University of Hong Kong (CUHK); Dr Chow Man-kong, LegCo Member and the then Associate Vice President (Institutional Advancement) of the Education University of Hong Kong; Professor Lau Pui-king, former Programme Co-ordinator of the Master of Science and Postgraduate Diploma in China Business Studies of the Hong Kong Polytechnic University (PolyU); Professor Alfred Ho, Dean of the College of Liberal Arts and Social Sciences of the City University of Hong Kong (CityU); Professor Terry Lum, Professor of the Department of Social Work and Social Administration and Henry G. Leong Professor in Social Work and Social Administration of the University of Hong Kong (HKU); Professor Thomas Chan, Director of the One Belt One Road Research Institute of the Hong Kong Chu Hai College (HKCHC); Professor Francis Lui, Professor Emeritus of the Department of Economics of The Hong Kong University of Science and Technology (HKUST); and Professor Christopher Chao, Vice President (Research and Innovation) and Chair Professor of the Thermal and Environmental Engineering of the PolyU.

Conducting exchanges with industry sectors on the latest developments

The CEPU met with representatives of different industry sectors, including leaders and researchers from the textiles and garment, architectural, biotechnology, medical and artificial intelligence (AI) sectors, to conduct exchanges on the latest developments of related industries.



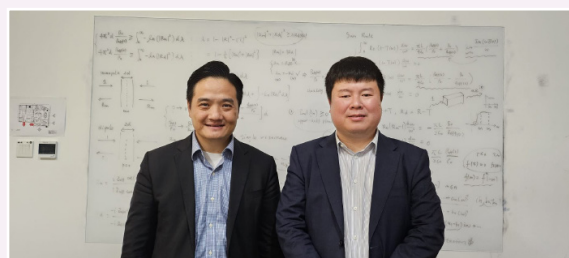
We met with Mr Paul Peng, Co-founder of UISEE, Mr Shu Xu, General Manager for Overseas Business Department and Hong Kong of UISEE (Hong Kong), and others to learn more about the business of UISEE and the development of its autonomous driving technology in Hong Kong and other regions.



We met with Mr Edmond Lai (fifth left), CEO of the Hong Kong Industrial Artificial Intelligence and Robotics Centre (FLAIR) cum Chief Digital Officer of the Hong Kong Productivity Council, and Mr Toni Drescher (fourth left), CEO of the INC Innovation Center.



We met with Mr Simon Chan, Chairman, and Dr Rocky Cheng, CEO of the Hong Kong Cyberport Management Company Limited, to discuss the latest developments of Cyberport on the work relating to the AI Supercomputing Centre and data exchange etc.



We met with Dr Chen Shuyu, Director of LUMI Technology Company Limited, which is specialised in R&D of acoustic metamaterials, to learn about their experience in the commercialisation of R&D outcomes and discuss the I&T start-up ecosystem in Hong Kong.



We met with Ms Wu Shan (second right), General Manager of Hong Kong and Macao, AstraZeneca China, and Mr Zheng Wei (first right), Vice President of Clinical R&D Operations of Hong Kong and Macao, AstraZeneca China cum President of Clinical R&D Operations of AstraZeneca R&D China.



We met with Dr Ahmed Elhousseiny, Head of APAC Area of Roche, Dr Diana Liu, General Manager of Roche Hong Kong, and their team to exchange views on further developing Hong Kong into a leading clinical innovation centre.



We visited the Shenzhen Unity-Drive Innovation Technology Co. Ltd. in Shenzhen, which was founded by Professor Liu Ming, Director of the Intelligent Autonomous Driving Centre of the HKUST.



We met with Mr Joseph D. Panetta, President of Biocom California, to exchange views on the development prospects for biotechnology in Hong Kong.



We visited the Shenzhen Unity-Drive Innovation Technology Co. Ltd. in Shenzhen, which was founded by Professor Liu Ming, Director of the Intelligent Autonomous Driving Centre of the HKUST.



We met with Mr Joseph D. Panetta, President of Biocom California, to exchange views on the development prospects for biotechnology in Hong Kong.



Together with Mr Chan Kin-por, LegCo Member, and Mr Simon Fung, Special Adviser of the Office of the Dean of Science of the HKUST, we visited the State Key Laboratory of Molecular Neuroscience at the HKUST, and exchanged views with Dr Ada Fu and her research team to learn about the laboratory's research progress in neuroscience and R&D of drugs.



Together with Mr Chan Kin-por, LegCo Member, we visited the Hong Kong Generative AI R&D Center (HKGAI) of the HKUST and exchanged views with Mr Yu Yue, Head of Business Development of the HKGAI, on the work of the Center on research and applications of generative AI.



Dr Stephen Wong, Head of the CEPU, and his team met with Hon Sunny Tan, LegCo Member (Textiles and Garment functional constituency), representatives of the Hong Kong General Chamber of Textiles and the Textile Council of Hong Kong, as well as members of the Election Committee of the Textiles and Garment Subsector. During the meeting, the representatives made a joint submission on the Policy Address and discussed issues relating to new industrialisation and the development of Hong Kong into a fashion and textile hub in Asia.



We met with Dr Hon Chan Han-pan, LegCo Member, and representatives of the China State Construction International (CSCI) and the China Railway Construction (HK), namely Mr Wang Xiaoguang, Executive Director and CEO; Mr Huang Jiang, Executive Vice President; Mr Zhang Jie, Senior Vice President; and Mr Zhang Xunchuan, Vice President of the Group Office, of the CSCI, as well as Dr Qiao Yang, Managing Director of the China Railway Construction (HK), to have an in-depth discussion about their recommendations on the Policy Address, including the introduction of I&T.



We met with Professor Edwin Tso, Associate Dean (Internationalisation and Outreach) of the School of Energy and Environment of the CityU, and Professor Martin Zhu, CEO of i2Cool, to learn about i2Cool's electricity-free cooling technology and exchange views on issues such as research transformation and incubation of start-ups.



We visited the Hong Kong Center for Neurodegenerative Diseases (HKCeND), and met with Professor Wong Yung-hou, Deputy Center Director; Dr Tom Cheung, Assistant Center Director; Professor Amy Fu, R&D Director; and their team to understand the R&D and operation of the HKCeND, as well as discuss the development of biomedical innovation in Hong Kong.



We met with Professor Wong Kwok-yin, Vice President (Education), and Professor Thomas Leung of the Department of Applied Biology and Chemical Technology of the PolyU, to have an in-depth discussion about the development of biotechnology industry, as well as the transformation and commercialisation of basic research in Hong Kong.



We met with Dr Chen Zhong, Standing Committee Member of the Party Committee and Deputy General Manager of the China Communications Construction Company, and his delegation to discuss their recommendations on the Policy Address, including improving the system of the construction industry, leveraging on the advantages of the Greater Bay Area (GBA) and introducing I&T, etc..

Development of low-altitude economy

The low-altitude economy is an emerging sector which requires inter-departmental collaboration and forward-looking planning. As announced in the Policy Address, the Working Group on Developing Low-Altitude Economy will be established. Led by the Deputy Financial Secretary, the Working Group will be responsible for co-ordinating and taking forward relevant work. In the future, the CEPU will engage more experts and academics for in-depth study and research in this area and report related findings to the Chief Executive. It is expected that the process will enable Hong Kong to continue to excel in our unique roles and better integrate into the overall national development, thereby contributing to the country's pursuit of higher-standard opening up.

In respect of study and research, the CEPU actively drew on the research findings of higher education institutions over the past year. We organised a seminar entitled “Embracing the Future: Accelerating the Development of Digitalisation and the GBA Development” in February 2024. Some of the university academics and think-tank representatives who received funding under the Public Policy Research Funding Scheme (PPRFS) and the Strategic Public Policy Research Funding Scheme (SPPRFS) were invited to present their research outcomes at the seminar. Members of the CEPU Expert Group were also invited to provide feedback. Research projects introduced at the seminar included the PolyU's project “Regulatory Framework and Guidelines for Drone Applications in the Hong Kong Architecture, Engineering and Construction Industry”. This one-year project was granted funding in 2021, and had provided reference for the CEPU in the research relating to low-altitude economy.



We organised a seminar entitled “Embracing the Future: Accelerating the Development of Digitalisation and the GBA Development” in February 2024.

Visiting the Mainland to study the drone technology and applications

Furthermore, the CEPU made a number of visits to the Mainland to study the latest development of drone technology and applications. In particular, Dr Stephen Wong and three LegCo Members, namely Hon Elizabeth Quat, Hon Chan Siu-hung and Hon Andrew Lam, attended the 8th Drone World Congress 2024 held in Shenzhen in May 2024. Dr Wong also visited Mainland enterprises engaging in the R&D of flying cars, which included XPENG AEROHT and EHang Intelligent Technology Company Limited in Guangzhou. Besides, he explored with Professor Harry Shum, Chairman of the HKUST Council and an expert on low-altitude economy, the potential opportunities for the use of drones in Hong Kong.



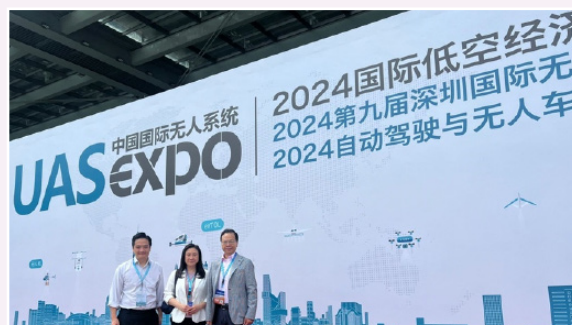
We met with Professor Harry Shum, Chairman of the HKUST Council, to exchange views on the AI ecosystem, the strategy for an education hub and the future development of low-altitude economy in Hong Kong.



We visited EHang Intelligent Technology Company Limited to learn about the latest R&D outcomes, and exchanged views on the Company's electric vertical takeoff and landing technology and the development of low-altitude economy in Hong Kong.



We met with the drone business department of Meituan to learn about its experience and development vision of drone delivery services in the Mainland.



Dr Stephen Wong and three LegCo Members, namely Hon Elizabeth Quat, Hon Chan Siu-hung and Hon Andrew Lam, attended the 8th Drone World Congress 2024 held in Shenzhen.



We visited the headquarters of XPENG AEROHT in Guangzhou to study the development of flying cars.

Building Hong Kong into an International Hub for High-calibre Talents

The Resolution adopted by the Third Plenary Session of the 20th CPC Central Committee indicated clear support for Hong Kong's development into an international hub for high-calibre talents. To dovetail with the national development strategies, the 2024 Policy Address proposed to promote the development of an international hub for post-secondary education, the "Study in Hong Kong" brand, and attract talents from the Mainland and overseas with an aim to empower the high-quality development of Hong Kong. Over the past year, the CEPU engaged various experts to carry out internal studies and deliberations, which interfaced with the research outcomes of universities and think-tanks from the community and facilitated the formulation of the specific initiatives in the Policy Address.

Continuing to deepen the study and research on building an international hub for post-secondary education

Following the delivery of the Policy Address, the CEPU continued to deepen its study and research on building an international hub for post-secondary education. In November 2024, the CEPU held a panel discussion under the theme of the development of Hong Kong into an international hub for post-secondary education. Experts and officials from relevant bureaux were invited to discuss a funded research project on the theme.



The CEPU held a panel discussion for a funded research project under the theme of the development of Hong Kong into an international hub for post-secondary education. Participating experts included Professor Daniel Shek, Chairman of the Assessment Panel of the PPRFS and the SPPRFS; CEPU Expert Group members (in alphabetical order of surnames) Professor Cai Hongbin, Professor Thomas Chan, Professor Christopher Chao, Dr Chow Man-kong and Professor Naubahar Sharif; Professor Hau Kit-tai, Chairperson of the Hong Kong Institute of Educational Research; Dr Henry Ho, Founder and Chairman of the One Country Two Systems Youth Forum; Mr Victor Kwok, Assistant Research Director of the Our Hong Kong Foundation; and Professor Jennifer Lin, CityU. Dr Choi Yuk-lin, Secretary for Education, also attended the discussion.

Introducing research outcomes in an internal seminar for the SPPRFS

The CEPU held an internal seminar for the SPPRFS to discuss the research outcomes of the funded project titled “The Development of Fintech, Insurtech, and Regtech Manpower to Sustain Hong Kong as a Leading Global Financial Center”. Professor Tam Kar-yan, Vice-President for Administration and Business of HKUST, introduced the research outcomes. The CEPU Expert Group members and representatives from relevant bureaux were also invited to participate in the internal discussion.



We held an internal seminar for the SPPRFS to discuss the research outcomes of the funded project titled “The Development of Fintech, Insurtech, and Regtech Manpower to Sustain Hong Kong as a Leading Global Financial Center”. Professor Tam Kar-yan, Vice-President for Administration and Business of the HKUST, introduced the research outcomes. The CEPU Expert Group members Mr Kevin Chan and Professor Francis Lui; think tank representatives Professor Terence Chong, Executive Director of Lau Chor Tak Institute of Global Economics and Finance of The CUHK, Professor Fang Yulin, Director of the Institute of Digital Economy and Innovation of the Business School of the HKU, and Dr Lee Shu-kam, Director of the Business, Economic and Public Policy Research Centre of the Hong Kong Shue Yan University; Mr Shang Hailong, LegCo Member; Professor Daniel Shek, Chairman of the Assessment Panel of the SPPRFS; and representatives from relevant bureaux, were also invited to participate in the internal discussion.

Introducing research outcomes at a roundtable meeting on “Closer people-to- people ties” under the Belt and Road (B&R) Initiative

The CEPU also convened a roundtable meeting on “Closer people-to-people ties” under the B&R Initiative. Professor Thomas Chan, CEPU Expert Group member and Director of the One Belt One Road Research Institute of the Hong Kong Chu Hai College, as well as Professor David A. Palmer of the Hong Kong Institute for the Humanities and Social Sciences and Department of Sociology of the HKU, presented their respective research outcomes related to the B&R Initiative, which included attracting overseas talents to Hong Kong.



We convened a roundtable meeting on “Closer people-to-people ties” under the B&R Initiative. CEPU Expert Group members Professor Alfred Ho, Dr Chow Pak-chin, Dr Ma Jun, Dr Chloe Suen, Mr Chang Ka-mun, and Professor Huang Ping attended the meeting together with Ms Marjorie Yang, member of the Chief Executive’s Council of Advisers. They actively shared their experiences in participating in the B&R Initiative as well as undertaking relevant research work. Mr Nicholas Ho, Commissioner for Belt and Road, also attended the meeting.



We convened a roundtable meeting on “Closer people-to-people ties” under the B&R Initiative. Professor Thomas Chan (left), Member of the CEPU Expert Group and Director of the One Belt One Road Research Institute of the Hong Kong Chu Hai College, as well as Professor David A. Palmer (right) of the Hong Kong Institute for the Humanities and Social Sciences and Department of Sociology of the HKU, presented their respective research outcomes related to the B&R Initiative.



Conducting exchanges with top national think-tanks and Mainland research institutions

On attracting high-calibre talents to Hong Kong to support our industry development, the CEPU met and discussed with top national think-tanks and Mainland research institutions, including the China Institutes of Contemporary International Relations (CICIR), the Beijing-Hong Kong Exchange of Personnel Centre under the Hong Kong Office of the MOST, and the Institute of Guangdong, Hong Kong and Macao Development Studies, Sun Yat-sen University. Besides, the CEPU explored with international enterprises in Hong Kong the pathway of nurturing talents.



We met with Dr Zhang Jian, Vice President of the CICIR, and his team to discuss the opportunities and challenges with respect to Hong Kong's economic development and its development into a talent hub.



We met with Mr Gao Changlin, General Manager of the Beijing-Hong Kong Exchange of Personnel Centre under the Hong Kong Office of the MOST, to exchange views on developing Hong Kong into an international hub for high-calibre talents.



We met with Dr Henry Tan, President, and Dr David Wong, Executive President of the Silk Road Institute, and their team to discuss and exchange views on the research report on civil diplomacy released by the Institute.



We met with Ms Shalini Mahtani, Founder and CEO of the Zubin Foundation, to discuss the progress of internationalisation in Hong Kong and the development potential of ethnic minorities in the territory.



We met with the delegations of BASF and the German Industry and Commerce Ltd. Hong Kong/German Chamber of Commerce, Hong Kong, to discuss issues such as BASF's development strategy with Hong Kong as its Asia Pacific headquarters and the vocational and professional education and training system in Germany.



We visited the Institute of Guangdong, Hong Kong and Macao Development Studies, Sun Yat-sen University and discussed with Professor He Junzhi, Dean of the Institute, the research directions in respect of the GBA.

Annual Review of Major Events

A. Events of the CEPU Expert Group

1. Holding a seminar on the implications of the “two sessions” for Hong Kong

A seminar was held on the implications of the “two sessions” for Hong Kong. Four CEPU Expert Group members, who are themselves Deputies to the National People’s Congress (NPC) and Members of the Chinese People’s Political Consultative Conference (CPPCC) National Committee, were invited to give keynote remarks. They included Professor Wong Yuk-shan, Vice-Chairperson of the HKSAR Basic Law Committee; Mr Nicholas Chan and Mr Allen Yeung, Hong Kong Deputies to the NPC; and Professor Charles Ng, Hong Kong Member of the CPPCC National Committee.



2. Convening the plenary meeting of the CEPU Economic Advancement Expert Group



B. Events about the 2024 Policy Address

1. Consulting the Chief Executive's Council of Advisers (CECA) on the Policy Address

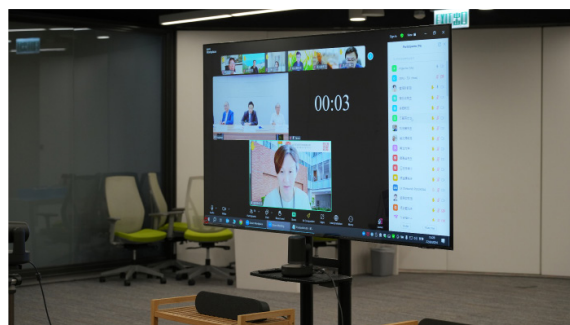
Led by the Chief Executive, the CEPU co-ordinated the preparation and consultation work for the 2024 Policy Address. To engage different sectors of the community, more than 40 consultation sessions had been conducted to canvass public views extensively. The Chief Executive hosted three luncheon meetings of the CECA in late July to listen to their views and suggestions for the 2024 Policy Address.



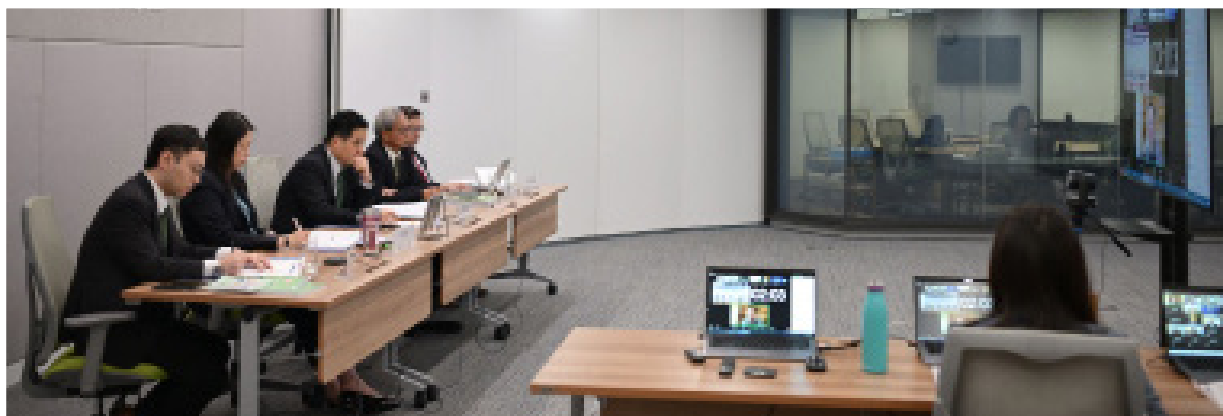
2. Consulting the CEPU Expert Group members on the Policy Address



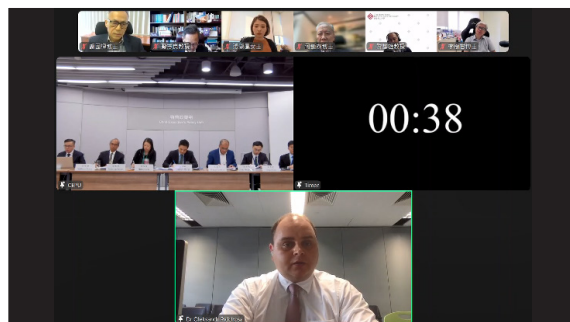
3. Consulting think tanks from the community and universities on the Policy Address



4. Organising an online briefing session on the 2024 Policy Address for the CEPU Expert Group members



5. Organising an online briefing session on the 2024 Policy Address for about 60 think-tanks from the community and universities





Chief Executive's Policy Unit

The Government of the
Hong Kong Special Administrative Region
of the People's Republic of China

January 2025