

Chapter 13

Commerce and Economic Development

Hong Kong's low tax rates, first-class infrastructure, effective legal system and free flow of capital and information all contribute to an environment in which business can flourish. The city is an important gateway to the Chinese Mainland and one of the world's most dynamic economies.

Hong Kong is a leading international trading and services centre as well as an important command and control centre for manufacturing activities in the region. It is recognised as one of the freest economies in the world, a model for international trade and the most strategic gateway to the vast Chinese Mainland market. The government is firmly committed to free trade and sees its task as facilitating commerce and industry within the framework of a free market. As a separate customs territory, the Hong Kong Special Administrative Region (HKSAR) does not impose any tariffs, and aims to enhance customs clearance efficiency while maintaining effective control. Hong Kong also adopts an open and liberal investment policy and proactively encourages inward investment.

The Commerce and Economic Development Bureau formulates and coordinates a range of economic, commercial and industry policies: external commercial relations, inward investment promotion, business support, participation in the Belt and Road Initiative, telecommunications, broadcasting, intellectual property (IP) protection, consumer protection, promoting competition, film censorship, control of obscene and indecent articles, conventions and exhibitions, postal services, trade facilitation and wine business, as well as work related to the United Nations Security Council sanctions. The bureau is assisted by the Trade and Industry Department, overseas Hong Kong Economic and Trade Offices (ETOs), Invest Hong Kong, Office of the Communications Authority, Radio Television Hong Kong, Intellectual Property Department, Hongkong Post and the Customs and Excise Department.

Merchandise Trade

Hong Kong's external trade grew in 2025. Total merchandise trade increased 15.5 per cent to \$10,927.1 billion compared with 2024. Total exports increased 15.4 per cent to \$5,240.3 billion, while imports increased 15.5 per cent to \$5,686.8 billion. The territory's biggest trading partner was the Chinese Mainland, followed by Taiwan and Vietnam. Hong Kong was the world's fifth-largest trading entity in terms of value of merchandise trade.

Total Exports

In 2025, electrical machinery, apparatus and appliances and electrical parts thereof worth \$2,558.9 billion were the principal commodities exported, followed by office machines and automatic data processing machines (\$676.5 billion) and telecommunications and sound recording and reproducing apparatus and equipment (\$633.2 billion). The Chinese Mainland, the United States and Vietnam were the main destinations, accounting for 59.7 per cent, 6.2 per cent and 4.1 per cent respectively of the total value of total exports.

Imports

In 2025, electrical machinery, apparatus and appliances and electrical parts thereof constituted the largest share of total imports at \$2,591 billion, followed by telecommunications and sound recording and reproducing apparatus and equipment (\$688.9 billion) and office machines and automatic data processing machines (\$576.7 billion). The Chinese Mainland, Taiwan and Singapore were Hong Kong's major suppliers, accounting for 43.8 per cent, 11.8 per cent and 7.7 per cent respectively of the total value of imports.

Services

Hong Kong is one of the world's most service-oriented economies. The services sector's share of Gross Domestic Product (GDP) in 2024 was 93.6 per cent and it provided employment for 3,244,100 people, making up 88.3 per cent of total employment in 2025.

The total services trade of Hong Kong amounted to \$1,624.6 billion in 2025, the world's 22nd largest in value. The territory exported \$896.7 billion worth of services, contributing to 26.9 per cent of GDP, compiled based on the change of ownership principle. It ranked sixth in the region after the Chinese Mainland, Singapore, India, Japan and Korea in total value of services exported, and 23rd in the world.

The main components of Hong Kong's exports of services were in transport and financial services, accounting for 30.6 per cent and 27.2 per cent respectively of the total value. The territory is a net exporter of services and had an overall surplus of \$168.9 billion in 2025, including surpluses of \$166.8 billion and \$121.1 billion in financial services and transport respectively.

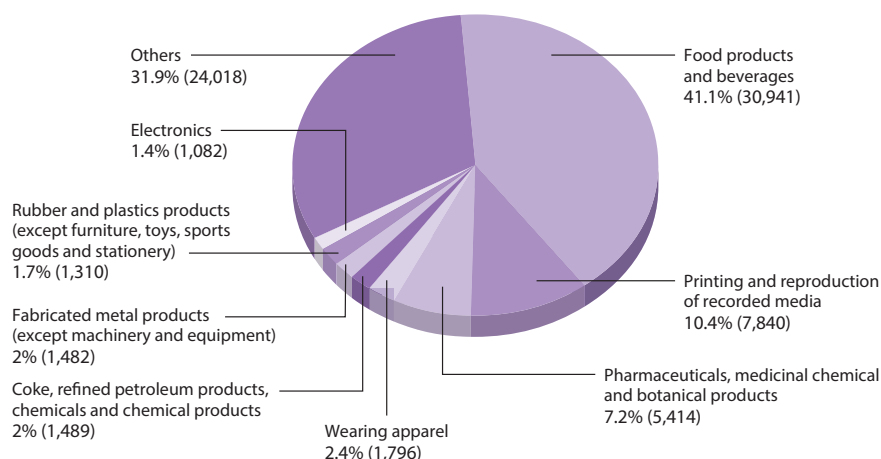
Manufacturing

Hong Kong is a command and control centre for manufacturing with a globalised production network. Domestic manufacturing contributed 1 per cent of GDP in 2024 and provided employment for 76,000 people in 2025, making up 2.1 per cent of overall employment.

Food and beverage producers are the largest employers in the sector, followed by employers in the printing and reproduction of recorded media industries. Chart 1 shows the breakdown of persons engaged in the manufacturing sector.

Chart 1

**Number of People Engaged by
Manufacturing Sector as at December 2025**

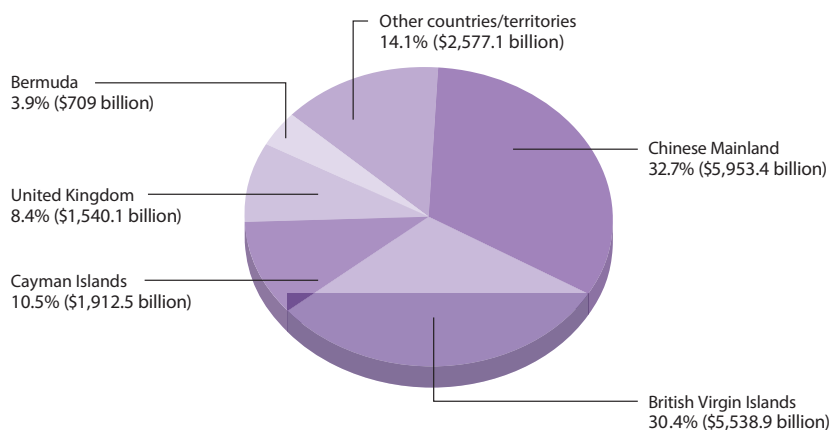


Note: Individual percentage shares may not add up to 100 due to rounding.

Inward Direct Investment

According to the *World Investment Report 2025* issued by the United Nations Trade and Development, Hong Kong was the world's third-largest recipient of inward direct investment in 2024, after the US and Singapore. The Census and Statistics Department's report *External Direct Investment Statistics of Hong Kong 2024* indicated that Hong Kong's foreign direct investment inflow in 2024 was \$982.4 billion. At the end of 2024, the total stock of inward direct investment¹ was \$20,049.6 billion. The vast stock of external direct investment testifies that Hong Kong continues to be an international centre for finance and commerce, as well as a preferred base for multinational corporations to manage their investments and businesses. Chart 2 shows selected major investor countries and territories of Hong Kong's inward direct investment. The Chinese Mainland and British Virgin Islands were the two largest, accounting for 32.7 per cent and 30.4 per cent of the total stock respectively. Chart 3 shows the major economic activities of Hong Kong enterprise groups² having received inward direct investment. Those engaged in investment and holding, real estate, professional and business services took up the largest share, at 68.2 per cent of the total stock.

Chart 2 Stock of Hong Kong's Inward Direct Investment at Market Value by Selected Major Investor Country/Territory at end-2024



Notes: Selected based on the stock of Hong Kong's inward direct investment from individual investor countries/territories in recent years.

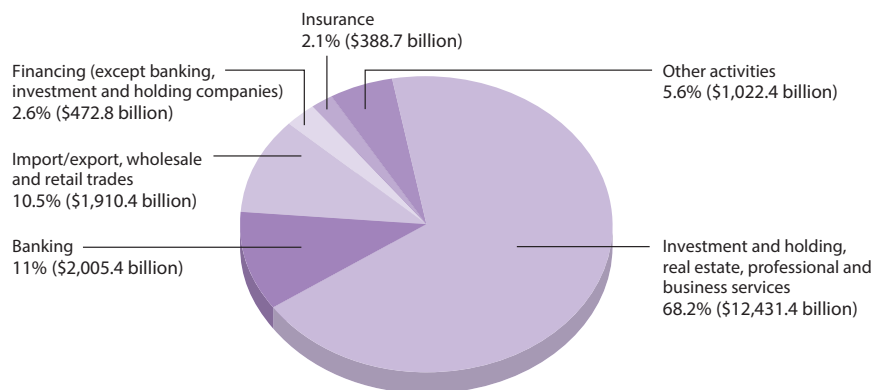
Country/ territory refers to the immediate source economy. It does not necessarily reflect the country/ territory from which the funds are initially mobilised.

¹ According to international statistical standards, the total stock and flow of inward direct investment presented in this paragraph is compiled based on the asset/liability principle, while detailed inward direct investment figures analysed by country/territory and by major economic activity of Hong Kong enterprise groups presented in charts 2 and 3 respectively are based on the directional principle. Owing to the adoption of different presentation principles, the total stock of inward direct investment is different from the sum of the detailed inward direct investment figures by country/territory or by major economic activity of Hong Kong enterprise groups.

² A Hong Kong enterprise group consists mainly of a Hong Kong parent company and its Hong Kong subsidiaries, associates and branches.

Chart 3

Stock of Hong Kong's Inward Direct Investment at Market Value by Major Economic Activity of Hong Kong Enterprise Groups at end-2024



According to the latest survey in 2025, the number of Mainland and overseas companies in Hong Kong was 11,070, covering companies across different sectors, sizes and origins of parent companies.

Inward Investment Promotion

In 2025, Invest Hong Kong helped 560 Mainland and overseas companies set up or expand operations in Hong Kong, involving direct investment of around \$69.4 billion and the creation of more than 10,700 jobs within the first year of their operations or expansion³.

Invest Hong Kong promotes the city's business advantages by organising investment promotion activities in the Chinese Mainland and key overseas markets and sponsoring events to bring foreign direct investment to Hong Kong. In 2025, it organised investment promotion seminars in Mainland cities including Beijing, Changsha, Chengdu, Dongguan, Guangzhou, Jinan, Nanchang, Ningbo, Qingdao, Shanghai, Shenyang, Tianjin, Wuhan, Xi'an, Yunnan, Zhaoqing, Zhengzhou and Zhuhai to introduce Hong Kong's business advantages and promote the city as an ideal platform for Mainland companies to go global.

The department participated in or co-organised investment promotion events with the Department of Commerce of Guangdong Province and the Macao Commerce and Investment Promotion Institute to promote to the international business community the business opportunities of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA). Such events included: the Guangdong-Hong Kong-Macao Greater Bay Area Economic and Trade Cooperation Exchange Conference, held in Budapest, Hungary and Cairo, Egypt in May; the Guangdong-Hong Kong-Macao Greater Bay Area-Yangtze River Delta Economic and Trade Cooperation Exchange Conference (Artificial Intelligence and Robotics Industry Session) in Shanghai in August; and the Global Investment Promotion Conference for the Guangdong-Hong Kong-Macao Greater Bay Area in Guangzhou in November. It completed

³ As reported by some of the companies assisted by Invest Hong Kong. Not all the companies disclosed their data.

298 investment projects from the Mainland in 2025, representing 53.2 per cent of its total number of completed projects.

Invest Hong Kong organised and participated in more than 160 diverse investment promotion activities conducted overseas, including the Gateway to Growth: Exploring Business and Investment Opportunities in and via Hong Kong in Mumbai, India; Dim Sum meets Tom Yum – Hong Kong and Thai Food Seminar and Networking in Bangkok, Thailand; and Business and Investment Opportunities in Hong Kong Seminar in Istanbul, Türkiye.

Invest Hong Kong also helps Mainland and overseas companies establish their presence in Hong Kong and organises international events, such as the Hong Kong FinTech Week x StartmeupHK Festival 2025, which brought together government officials, regulators, innovators, and industry leaders from around the world for a series of panels, keynote speeches, and strategic discussions. The week attracted a record high of more than 45,000 visitors from over 120 economies, and featured over 1,000 distinguished speakers and more than 30 Mainland and international delegations.

To further support Mainland enterprises to go global, the bureau, in October, established the Task Force on Supporting Mainland Enterprises to Go Global, to attract Mainland enterprises to establish businesses in Hong Kong and provide them with one-stop support services.

Overseas Hong Kong Economic and Trade Offices

There are 15 overseas Hong Kong ETOs, in Bangkok, Berlin, Brussels, Dubai, Geneva, Jakarta, Kuala Lumpur, London, New York, San Francisco, Singapore, Sydney, Tokyo, Toronto and Washington. Kuala Lumpur, the newest, began operation on 10 December.

The Geneva ETO represents Hong Kong, China as a member of the World Trade Organization (WTO) and as a participant at the Trade Committee of the Organisation for Economic Cooperation and Development (OECD), while the other ETOs promote Hong Kong's economic and trade interests in the countries under their respective purviews by enhancing understanding of Hong Kong among opinion-formers, monitoring developments that may affect Hong Kong's economic and trade interests, and liaising with government bodies, politicians, businesses, think tanks and the media.

The ETOs also assist in telling good stories about Hong Kong, and clarify and rebut inaccurate or misleading reports. They organise and participate in meetings, conferences, exhibitions and other cultural events to promote Hong Kong's image. The Dedicated Teams for Attracting Businesses and Talents, under the ETOs, offer support to enterprises and individuals interested in setting up operations or expanding their presence in Hong Kong. The teams also support the work of the Office for Attracting Strategic Enterprises under the Financial Secretary's Office and Hong Kong Talent Engage under the Labour and Welfare Bureau in providing facilitation services for attracting businesses and talent.

The Brussels ETO represents Hong Kong's economic and trade interests in the European Union, including the European Commission and European Parliament. It also promotes bilateral relations with 15 European countries. The Berlin ETO covers eight countries in central and

eastern Europe, while the London ETO is responsible for nine countries and is also the base of Hong Kong's representative to the International Maritime Organization.

The Washington ETO represents Hong Kong's overall economic and trade interests in the US and promotes bilateral relations with the US. The New York and San Francisco ETOs cover 31 eastern states and 19 western states respectively.

The ETOs in Dubai, Sydney, Tokyo and Toronto are responsible for bilateral economic and trade relations in their host countries. For the Middle East, aside from the United Arab Emirates, the Dubai ETO also covers the other member states of the Cooperation Council for the Arab States of the Gulf, namely Bahrain, Kuwait, Oman, Qatar and Saudi Arabia.

The Sydney ETO also covers New Zealand and the Tokyo ETO also covers Korea. The Jakarta ETO represents Hong Kong in dealing with the Association of Southeast Asian Nations (ASEAN) as a whole, and covers Indonesia, Sri Lanka and Timor-Leste. The Bangkok ETO covers Thailand, Bangladesh, Cambodia and Myanmar. The Kuala Lumpur ETO covers Malaysia, Brunei Darussalam, Laos and Pakistan, while the Singapore ETO covers Singapore, India, the Philippines and Vietnam.

External Commercial Relations

Participation in World Trade Organization

The rules-based multilateral trading system under the auspices of the WTO is the cornerstone of Hong Kong's external trade policy. Hong Kong is a founding member of the WTO and has continued its separate membership under the name 'Hong Kong, China' since the establishment of the HKSAR. Hong Kong takes part in WTO negotiations and discussions to safeguard and advance its trade interests.

Regional Economic Cooperation

The Asia-Pacific Economic Cooperation (APEC) is a regional forum for high-level dialogue and trade and economic cooperation. Hong Kong takes part as a full and separate member, under the name 'Hong Kong, China'. In 2025, Hong Kong conducted about 87 per cent of its external trade with the other 20 APEC member economies.

Hong Kong also takes part in the Pacific Economic Cooperation Council, which is a regional forum comprising government officials, business leaders and academics working on policy issues to enhance trade, investment and economic development in the Pacific region.

Organisation for Economic Cooperation and Development

Hong Kong takes part in the Trade Committee of the OECD, which is an important forum for discussing policies on international trade.

Free Trade Agreements

Hong Kong has signed seven free trade agreements (FTAs) with 19 foreign economies to secure more favourable conditions for its goods and services to enter international markets.

Hong Kong is also seeking early accession to the Regional Comprehensive Economic Partnership and continues to explore possible FTAs with other trading partners.

Investment Promotion and Protection Agreements

Hong Kong has signed 24 investment promotion and protection agreements with 33 foreign economies to assure overseas investors that their investments in Hong Kong are protected and to enable Hong Kong investors to enjoy similar protection overseas. As of end-2025, negotiations were concluded with Qatar and good progress was made with Peru, while negotiations were still ongoing with Bangladesh, Egypt and Saudi Arabia.

Trade in Goods

In 2025, the Customs and Excise Department carried out 25,285 factory and consignment inspections and concluded 149 investigations to ensure compliance with factory registration conditions and import and export licensing requirements. The department also conducted 34 blitz checks on consignments of goods at various import and export control points. It prosecuted three companies and eight offenders successfully, leading to fines totalling \$30,000.

Trade in Strategic Commodities

The Trade and Industry Department maintains a comprehensive import and export licensing system for strategic commodities. It also administers a permit system for certain chemicals in order to implement the requirements under the Chemical Weapons Convention. Hong Kong works with its trading partners to keep abreast of international developments on strategic trade controls and to ensure its control arrangements are in line with international standards.

In 2025, the Customs and Excise Department successfully prosecuted 19 companies and one offender involved in the unlicensed import and export of strategic commodities, resulting in fines totalling \$310,000. Goods valued at \$50,000 were confiscated.

Customs Cooperation

The Customs and Excise Department plays an active role in the work of the World Customs Organization (WCO) and APEC Sub-Committee on Customs Procedures. It liaises with the WCO and seconded one officer each to support the WCO Implementation and Capacity Development Directorate in Brussels, the WCO Regional Intelligence Liaison Office for Asia and the Pacific in Tokyo, and the WCO Asia Pacific Regional Office for Capacity Building in Bangkok.

Local companies that satisfy the department's security standards may be accredited under the Hong Kong Authorized Economic Operator Programme and enjoy customs facilitation, including reduced inspection and prioritised clearance of their goods in Hong Kong and in economies with mutual recognition arrangements. As at December, these economies included the Chinese Mainland, Macao, Australia, Bahrain, Canada, India, Indonesia, Israel, Japan, Korea, Malaysia, Mexico, New Zealand, Peru, Saudi Arabia, Singapore, South Africa and Thailand.

The department shares intelligence and enforcement experience with other law enforcement agencies. It also maintains bilateral cooperation arrangements with a number of customs administrations.

In 2024, Hong Kong, China was elected as the vice-chairperson for the Asia/Pacific region of the WCO for a two-year term. The Customs and Excise Department organised a series of international meetings, conferences and workshops throughout 2025, including the Regional Heads of Customs Administrations Conference and Regional Contact Points Meeting. Dedicated regional conferences and workshops covered critical topics such as e-commerce, risk management and intelligence analysis, Authorized Economic Operators, data strategies, drug enforcement and anti-money laundering.

Closer Economic Partnership Arrangements with Chinese Mainland and Macao

Hong Kong signed the Closer Economic Partnership Arrangement (CEPA) with the Chinese Mainland in 2003. The two sides work to broaden its coverage and deepen liberalisation in trade and investment. It has become a comprehensive FTA, covering trade in goods, trade in services, investment, and economic and technical cooperation. The Second Agreement Concerning Amendment to the CEPA Agreement on Trade in Services has been implemented since March to further enhance the liberalisation level of trade in services between the Chinese Mainland and Hong Kong.

Hong Kong signed a CEPA separately with Macao in 2017, which covers trade in goods, trade in services, investment, IP, and economic and technical cooperation.

Participation in Belt and Road Initiative

The government adopts a whole-government approach to fully participate in and contribute to the Belt and Road Initiative and consolidate Hong Kong's role as the initiative's functional platform.

Under the Steering Group on Integration into National Development, chaired by the Chief Executive, the Working Group on Belt and Road Development has been set up with the Secretary for Justice and the Secretary for Commerce and Economic Development serving as its chairperson and secretary respectively. The working group promotes high-quality cooperation between Hong Kong and Belt and Road countries/regions, particularly in trade, commerce and professional services, as well as people-to-people bonds, and reviews strategies and progress in promoting Hong Kong's participation in the Belt and Road Initiative, thereby contributing to the latest national strategy, including the country's eight major steps supporting the joint pursuit of high-quality Belt and Road cooperation⁴.

The Belt and Road Office has been organising missions to deepen international exchanges and cooperation, to assist Hong Kong enterprises and professional services sectors in expanding business opportunities, and promote the strengths of Hong Kong as a functional platform for the Belt and Road Initiative.

⁴ The eight major steps are: building a multidimensional Belt and Road connectivity network; supporting an open world economy; carrying out practical cooperation; promoting green development; advancing scientific and technological innovation; supporting people-to-people exchanges; promoting integrity-based Belt and Road cooperation; and strengthening institutional building for international Belt and Road cooperation.

The Chief Executive led a business delegation comprising representatives from Hong Kong and the Chinese Mainland to visit Qatar and Kuwait from 10-15 May to further strengthen exchanges and connections with the Middle East region in areas such as finance, trade, investment, and innovation and technology, and promote the advantages and opportunities in Hong Kong to the local political sectors and business communities. A total of 59 memorandums of understanding and agreements were reached during the visit.

The 10th Belt and Road Summit was held in Hong Kong on 10-11 September, with the theme of Collaborate for Change • Shape a Shared Future. It attracted around 6,200 participants, including more than 90 government and business speakers, as well as over 100 delegations and 270 representatives from 40 state-owned enterprises from the Chinese Mainland. A total of 45 memorandums of understanding were witnessed during the summit.

Other major events during the year included the Belt and Road Cross-professional Forum held in February, and the 8th Joint Conference on Advancing Hong Kong's Full Participation in and Contribution to the Belt and Road Initiative held in Beijing in July.

Small and Medium Enterprises

Small and medium enterprises (SMEs) are manufacturing businesses that employ fewer than 100 people and non-manufacturing businesses with fewer than 50 employees in Hong Kong. As at end-2025, there were about 360,000 SMEs, representing over 98 per cent of all local enterprises and employing about 1.2 million people. The government provides capacity-building services and operates various funding schemes to help SMEs secure loans from lending institutions, explore more diversified markets and enhance their competitiveness.

Promoting Silver Economy

The elderly account for a large proportion of the population and create a huge demand for silver economy related products and services. In May, the Working Group on Promoting Silver Economy proposed 30 measures to boost 'silver consumption', develop 'silver industry', promote 'quality assurance of silver products', enhance 'silver financial and security arrangements', and unleash 'silver productivity'.

Protection of Intellectual Property Rights

Hong Kong maintains a robust regime for protecting IP rights that features comprehensive legislation, convenient registration systems, rigorous enforcement and extensive public education. This has earned Hong Kong an international reputation for effective protection of IP.

Registration

The Intellectual Property Department provides electronic registration and management services through the internet. Its e-registers allow free data searches in Chinese or English, while the e-filing system enables IP owners and agents to file their applications securely and make changes to certain particulars of their registrations and applications directly. In 2025, 89 per cent, 98 per cent and 79 per cent of applications for trademarks, patents and designs respectively were filed electronically.

Trademarks

The Trade Marks Registry received 37,491 applications in 2025, a 13.1 per cent increase from 2024. It registered 30,285 marks in the year, taking the number of registered marks to 498,166 by end-2025. Of the 106 countries and regions that filed applications, the principal ones were:

Hong Kong	15,260	Singapore	841
Chinese Mainland	9,703	United Kingdom	626
US	2,641	France	559
Japan	2,021	Switzerland	460
Korea	1,290	Taiwan	414

The government continues with the preparatory work to implement the international registration system under the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks in Hong Kong.

Patents

The original grant patent system provides a direct route for applicants to file standard patent applications in Hong Kong that are subject to the Patents Registry's substantive examination. The re-registration system grants standard patents based on corresponding patents granted by one of the three designated patent offices, namely the China National Intellectual Property Administration, UK Intellectual Property Office and European Patent Office in respect of patents designating the UK. The short-term patent system grants short-term patents upon formality examination while enabling their owners or third parties having legitimate business interests in or reasonable grounds to doubt the validity of a short-term patent to ask the registry to carry out post-grant substantive examination of the patent.

The registry received 14,541 standard patent by re-registration, 242 standard patent by original grant and 867 short-term patent applications in 2025. It granted 8,542 standard patents by re-registration, 133 standard patents by original grant and 701 short-term patents, respectively 14.9 per cent lower, 54.7 per cent higher and 6.4 per cent higher than in 2024.

Designs

In 2025, the Designs Registry received 2,168 applications to register 4,038 designs and registered 4,187 designs – an 8.7 per cent increase from 2024.

A three-month public consultation was launched in December to gauge stakeholders' views on the review of the local registered designs regime.

Copyright

The Copyright Ordinance protects original literary, dramatic, musical and artistic works, typographical arrangements of published editions, sound recordings, films, broadcasts, cable programmes and performers' performances irrespective of the domicile of the authors and performers. No registration is required to obtain protection.

Following the completion of the public consultation on enhancement of the ordinance regarding the protection for artificial intelligence technology development in 2024, the government is formulating a code of practice in respect of the relevant legal principles.

Enforcement

The Customs and Excise Department enforces criminal sanctions against the infringement of IP rights. It investigates reports of copyright infringement and trademark counterfeiting; maintains licensing control on all optical disc and stamper factories; and takes action against the manufacture, distribution, local market and online sale, import and export of pirated and counterfeit goods and the possession of such goods for business use.

The department combats infringement activities at the cross-boundary, local market, online and technology levels. In 2025, it arrested 53 people in 66 piracy cases and confiscated goods, mostly electronics products, computers and related accessories, worth about \$3.4 million. It also seized counterfeit goods worth about \$415 million and arrested 286 people in 663 cases of forged trademarks.

Public Education

The Intellectual Property Department promotes public awareness of IP protection, management, trading and commercialisation. In 2025, 13 trade associations with over 1,760 retail merchants, covering more than 7,010 outlets and online shops, took part in its No Fakes Pledge scheme. Through school talks and interactive drama programmes, the department reached out to 220 schools and over 65,000 students.

Intellectual Property Trading

To consolidate the IP trading ecosystem, the Intellectual Property Department enhances the legal framework on protecting IP and encourages the innovation and technology sector to leverage the original grant patent system. It also strengthens promotion and capacity building of IP talents in collaboration with stakeholders by offering the free Intellectual Property Consultation Service, as well as seminars and training courses under the Intellectual Property Manager Scheme. It showcases success stories of enterprises that engage in IP trading in the GBA, and also works with the Department of Justice to promote arbitration and mediation in resolving IP disputes.

To strengthen the development of IP financing, the bureau, Intellectual Property Department and Hong Kong Monetary Authority jointly launched the IP financing sandbox in December to assist pilot sectors, particularly the technology sector, in leveraging IPs for financing with the support of the banking, insurance, valuation, legal and other professions.

The Hong Kong Technology and Innovation Support Centre officially began full operation in December, supporting researchers and innovators at different stages of the innovation cycle, helping them make use of the IP system (especially through patenting activities) to protect their inventions and guiding them to bring their technology to market. The centre will join a network throughout the country of more than 200 similar centres, promoting better integration of Hong Kong into overall national development.

Cooperation with Chinese Mainland

The Intellectual Property Department collaborates with its Mainland counterparts to strengthen IP protection, management and trading, as well as advance cross-boundary IP facilitation measures. Effective from late June, Chinese Mainland patent applications filed by Hong Kong's innovation and technology sector can benefit from an expedited patent pre-examination service provided by the Shenzhen Intellectual Property Protection Center under the cooperation framework of the 16 Cooperation Measures for the Development of the Qianhai Shenzhen-Hong Kong Intellectual Property and Innovation Hub.

The Customs and Excise Department exchanges experience and information with its Mainland counterparts on the detection and prosecution of IP-related offences. It conducts joint operations with Guangdong customs to intercept the cross-boundary movement of infringing goods, and shares intelligence and provides mutual assistance with the Economic Crime Investigation Bureau of the Guangdong Provincial Public Security Department in combating cross-boundary infringing activities.

Participation in International and Regional Organisations

The Intellectual Property Department takes part in events of the WTO's Council for Trade-Related Aspects of Intellectual Property Rights, the World Intellectual Property Organization and the APEC Intellectual Property Rights Experts Group. It also works pursuant to the FTA between Hong Kong, China and ASEAN to promote IP commercialisation.

Trade Facilitation

Hong Kong is a free port and most products do not need licences to enter or leave. Licences are required mainly to fulfil Hong Kong's international obligations and to protect public health, safety, the environment, and IP rights. An origin certification system is also in place to facilitate exports.

Road Cargo System

The Customs and Excise Department's Road Cargo System facilitates customs clearance of road cargoes through prior risk-profiling. Registered shippers or their agents should submit electronic cargo information before the consignment is imported to or exported from Hong Kong. All cross-boundary goods vehicles, except those selected for inspection, enjoy seamless customs clearance at the land boundary control points.

Intermodal Transshipment Facilitation Scheme and Single E-lock Scheme

The Intermodal Transshipment Facilitation Scheme (ITFS) seeks to simplify customs clearance procedures for air-land and sea-land intermodal transshipment cargo. Enrolment is voluntary. Participating enterprises convey their cargoes by vehicles installed with electronic locks and satellite-based tracking devices recognised by the Customs and Excise Department. The cargoes, if selected at all, normally undergo inspection only once, when entering or leaving Hong Kong.

The Single E-lock Scheme streamlines customs clearance procedures by connecting the ITFS to the Speedy Customs Clearance System operated by Mainland customs. Mutually recognised electronic locks are used to minimise duplicate inspections of the same consignment at the boundary.

As of 2025, there were 99 clearance points in total (71 in Guangdong province covering nine Mainland municipalities in the GBA, four in Hunan province, seven in Fujian province, four in Macao and 13 in Hong Kong).

Free Trade Agreement Transshipment Facilitation Scheme

The Free Trade Agreement Transshipment Facilitation Scheme allows consignments passing through Hong Kong to enjoy preferential tariffs under FTAs signed between the Chinese Mainland and its trading partners. The Customs and Excise Department supervises such consignments and issues certificates of non-manipulation, enabling traders to claim preferential tariffs from the authorities at the importing end. There are 71 economies and 23 agreements covered under the northbound service scope of the scheme, while there are seven economies and eight agreements covered under the southbound service scope.

Alternative Smoking Product Transshipment Control Scheme

The Import and Export (Amendment) Ordinance 2023, provides exemption for specified intermodal transshipment of alternative smoking products. As of December, 28 operators were registered under the Alternative Smoking Product Transshipment Control Scheme, implemented by the Customs and Excise Department. A total of 8,959 consignments, weighing 21,572 tonnes, of alternative smoking products have been transhipped under the scheme to overseas markets through Hong Kong International Airport.

Cross-boundary Express Cargo Clearance Facilitation Arrangement

The Cross-boundary Express Cargo Clearance Facilitation Arrangement speeds up customs clearance by using advance cargo data and tracking technology to assess risks early and ensure secure transportation. Inspections are conducted at designated downtown clearance points, saving substantial time at control points. Since the launch of the arrangement in 2024, more than 5,300 vehicle trips and over 1.12 million consignments have been processed, and the clearance time has been reduced by 80 per cent. A logistics provider will be recruited as an additional pilot participant in the arrangement, as announced in the Chief Executive's 2025 Policy Address.

Government Electronic Trading Services

The Government Electronic Trading Services allows the trading community to submit key trade-related documents electronically to fulfil statutory obligations in a cost-effective and environment-friendly manner. Three government-appointed operators selected by open tender provide the services. They processed more than 18 million transactions in 2025.

Trade Single Window

The Trade Single Window is a one-stop electronic platform for lodging business-to-government trade documents for trade declaration and cargo clearance. Phases 1 and 2 are in full service,

covering 42 types of documents. Phase 3 services are targeted to roll out in batches from mid-2026.

Trade and Industrial Support Organisations

Hong Kong Trade Development Council

The statutory Hong Kong Trade Development Council promotes, assists in and develops Hong Kong's external trade. With 51 offices globally, including 13 in the Chinese Mainland, it promotes Hong Kong as a two-way business hub for the GBA, ASEAN and the wider Regional Comprehensive Economic Partnership with the rest of the world. It also promotes Hong Kong's position and advantages as an investment, financial, trade, innovation and cultural hub internationally.

The council organises international exhibitions, conferences and business missions to help Hong Kong companies seize opportunities in the Chinese Mainland and around the world. It provides a range of business support programmes to help SMEs and start-ups enhance their capabilities and market expansion; and provides market information through market research and industry information via digital and physical channels.

Hong Kong Export Credit Insurance Corporation

The statutory Hong Kong Export Credit Insurance Corporation encourages and supports export trade by providing insurance protection for Hong Kong exporters against non-payment risks arising from prescribed circumstances.

The global economy proved more resilient than expected in 2025, notwithstanding the volatile global trade environment. Driven by the strong demand for electronic-related products, Hong Kong's export performance was robust during the year. The corporation's total insured business and gross premium income respectively increased by 16.9 per cent to \$182.6 billion and 4.6 per cent to \$339 million, while cash claims decreased by 20.6 per cent to \$27 million.

In accordance with the 2025 Policy Address, the corporation has expanded the coverage of the 20 free credit assessment services from the Chinese Mainland, Middle East and ASEAN to include all markets it insures, in a bid to help Hong Kong exporters diversify their export markets. Additionally, the corporation has further collaborated with financial institutions to enhance financing support for Hong Kong e-commerce businesses across different platforms.

In response to the credit risks arising from the US's arbitrary imposition of tariffs, the corporation introduced special enhanced measures in April, which included waiving or reducing premiums for pre-shipment risk cover and reducing premium rates for emerging markets, providing comprehensive support to Hong Kong exporters in developing new markets.

Other Trade and Industrial Support Organisations

The Federation of Hong Kong Industries, Chinese Manufacturers' Association of Hong Kong, Hong Kong General Chamber of Commerce, Chinese General Chamber of Commerce, Hong Kong Chinese Enterprises Association and Hong Kong Chinese Importers' and Exporters' Association promote the interests of, and foster relationships among, their members. There are

also overseas chambers of commerce, SME organisations and other associations representing specific sectors or interests.

Promoting Competition

The government promotes sustainable competition to enhance economic efficiency and the free flow of trade, benefiting both consumers and businesses. The Competition Ordinance provides a legal framework to tackle anti-competitive conduct in different sectors. Serious anti-competitive conduct includes price fixing, market sharing, bid rigging and output limitation.

The government-appointed Competition Commission enforces the ordinance and investigates possible contraventions, promotes public understanding of the ordinance, carries out market studies and advises the government on competition matters. In 2025, the commission received 361 complaints and 333 enquiries. It also started initial assessments of 10 meritorious cases and escalated three cases to in-depth investigation.

During the year, the Competition Tribunal ruled in a case concerning cartel conduct in the supply of cleansing services. Four other cases are still pending.

Consumer Protection

Consumer Council

The government-appointed Consumer Council protects and promotes the interests of consumers of goods and services and purchasers, mortgagors and lessees of immovable property.

The council tests consumer products, conducts market surveys, monitors prices and trade practices, handles complaints and enquiries, advises the government and public authorities on consumer protection issues, and raises public awareness of consumer rights. It maintains close contact with its Chinese Mainland and overseas counterparts to promote and protect consumer interests, and administers the Consumer Legal Action Fund to enhance consumer access to legal remedies. In 2025, the council received 38,187 consumer complaints and 51,575 consumer enquiries, and completed 33 product tests, 19 surveys and 27 in-depth studies. It published the findings and disseminated practical consumer advice in its monthly magazine, *Choice*.

Enforcement of Legislation

The Customs and Excise Department enforces the Consumer Goods Safety Ordinance, Toys and Children's Products Safety Ordinance, Trade Descriptions Ordinance and Weights and Measures Ordinance.

The Trade Descriptions Ordinance prohibits unfair trade practices commonly deployed against consumers of goods and services, including false trade descriptions, misleading omissions, aggressive commercial practices, bait advertising, bait-and-switch, and wrongly accepting payments.

The Toys and Children's Products Safety Ordinance is updated regularly to ensure toys and other children's products in Hong Kong comply with operative, up-to-date international safety standards.

The department carries out spot checks and investigations to ensure toys, children's products and consumer goods supplied locally are safe and that the quantity of goods supplied in the course of trade by weight and other measures is accurate, and to guard against false trade descriptions and other unfair trade practices over goods and services. In 2025, the department carried out 9,576 spot checks and concluded 208 enforcement cases.

The Government Laboratory provides analytical and advisory services to the Customs and Excise Department in the enforcement of consumer protection legislation, and conducts on-site investigations to support the enforcement of the Weights and Measures Ordinance. In 2025, the laboratory carried out 34,177 tests to check the compliance of toys, children's products and consumer goods with safety standards, and to determine the weight of retail goods. It also carried out 4,912 tests to examine the authenticity of commodities and the correctness of trade descriptions under the Trade Descriptions Ordinance.

Communications Authority

The statutory Communications Authority regulates Hong Kong's broadcasting and telecommunications industries according to the Broadcasting Ordinance, Telecommunications Ordinance, Communications Authority Ordinance, Broadcasting (Miscellaneous Provisions) Ordinance, Trade Descriptions Ordinance, Competition Ordinance, and Protection of Critical Infrastructures (Computer Systems) Ordinance. It also enforces the Unsolicited Electronic Messages Ordinance.

The Office of the Communications Authority, the Communications Authority's executive arm and secretariat, helps administer and enforce these ordinances.

Telecommunications

The government aims to facilitate the development of the telecommunications industry and enhance Hong Kong's position as the regional telecommunications hub. The telecommunications services market is fully open to competition and the pro-market approach has encouraged an abundant supply of competitively priced state-of-the-art services for consumers and businesses.

Mobile Communications

Commercial fifth generation mobile (5G) services had almost 10 million subscriptions as at December 2025, representing a penetration rate of about 131 per cent by population. Overall, there were 34.3 million mobile subscriptions to four mobile network operators and 26 mobile virtual network operators, representing a population penetration rate of 442 per cent, one of the world's highest. Monthly mobile data usage reached 290,140 terabytes in December 2025, a 24 per cent rise year on year. On average, each resident used 38,125 megabytes per month.

Under section 14 of the Telecommunications Ordinance, mobile network operators can install and maintain mobile communications equipment in certain buildings – commercial, industrial, residential and hotels approved for construction on or after 1 April 2025 – without paying fees to the property owners. All new government buildings and public housing will follow the related arrangements.

To further expand mobile network coverage in rural areas, the government launched the Subsidy Scheme to Extend 5G Coverage in Rural and Remote Areas in July to provide subsidies to mobile network operators to install radio base stations in rural and remote areas.

Fixed Communications

Hong Kong has one of the world's most advanced fixed broadband network infrastructures and a fixed broadband penetration rate of 100.2 per cent of households.

As at December, local fixed telecommunications services were offered by 29 licensed carriers, 92.7 per cent and 80.7 per cent of residential households were able to enjoy a choice of at least two and three local fixed networks respectively.

Charges for fixed broadband are competitive, starting from \$88 per month for services at speeds of up to 1 gigabit per second. The city is also at the forefront of providing public Wi-Fi, with more than 80,000 Wi-Fi hot spots.

External Telecommunications

There are 42 operators licensed to provide facility-based external telecommunications services. Hong Kong is connected with the Chinese Mainland through 25 overland cables, has 10 submarine cable landing stations and 12 regional and transcontinental submarine cable systems. The total equipped capacity of the external telecommunications facilities in December exceeded 360,000 Gbps.

Three Hong Kong companies are licensed to operate and provide satellite communications services, operating 10 satellites in total.

Unsolicited Electronic Messages

The Unsolicited Electronic Messages Ordinance regulates the sending of commercial electronic messages. As at year end, more than 2.83 million numbers were registered in 'Do-not-call' registers established under the ordinance for faxes, short messages and pre-recorded telephone messages. In 2025, the Communications Authority received 831 reports of suspected contraventions and issued eight warning letters to senders.

Real-name Registration for SIM Cards

To safeguard the integrity of telecommunications services and safety of the communications networks, all Subscriber Identification Module (SIM) cards issued and used locally, including SIM service plans and pre-paid SIM cards, must complete real-name registration before activation.

Each individual user and corporate user may respectively register no more than 10 and 25 pre-paid SIM cards with each telecommunications operator. As at end-December, over

14 million SIM cards had completed real-name registration and service activation. Hong Kong identity card holders can register pre-paid SIM cards and verify their identities through the mobile application iAM Smart.

Auctions of Radio Spectrum

The auction of 50 MHz of radio spectrum in the 2.5/2.6 GHz band was concluded in October. Mobile network operators can either use the spectrum to continue providing mobile communications services or refarm it to support future mobile services applications, including the sixth generation (6G).

Support on Development of Low-altitude Economy

In October, the Communications Authority introduced the Unmanned Aircraft System (Private) Licence, providing dedicated spectrum for low-altitude economic activities to foster the development of a low-altitude economy.

Streamlining Licensing Regime for Low Earth Orbit Satellites

Satellite operators may apply for an Outer Space Licence, issued by the Chief Executive under the Outer Space Ordinance, and the Space Station Carrier Licence, issued by the Communications Authority under the Telecommunications Ordinance for each satellite operated in Hong Kong. The government is exploring ways to streamline the vetting procedures for licence applications for operating Low Earth Orbit satellites.

Broadcasting

Commercial Broadcasting

Hong Kong's broadcasting policy promotes competition to diversify programme content and encourages innovation through flexible regulations to secure the city's position as a regional broadcasting hub.

The Broadcasting Ordinance regulates four categories of TV programme services – domestic free, domestic pay, non-domestic (mainly satellite TV services targeting the Asia-Pacific region) and other licensable TV programme services (mainly TV services for hotel rooms) – according to their characteristics and pervasiveness. Sound broadcasting services are regulated under the Telecommunications Ordinance and Broadcasting (Miscellaneous Provisions) Ordinance. Hong Kong has full digital TV broadcast. At the end of 2025, there were about 800 satellite and pay-TV channels available in digital format. Nine licensed satellite TV broadcasters provided around 150 channels mainly targeting the Asia-Pacific region. Three domestic free-TV licensees operated 10 digital TV channels.

As for radio, two sound broadcasting licensees provided six radio channels at the year end.

Public Service Broadcasting

Radio Television Hong Kong (RTHK) is a government department that serves as the city's public service broadcaster. The Charter of RTHK sets out its public purposes, mission and relationship with the Commerce and Economic Development Bureau, the Communications Authority and the RTHK Board of Advisors. It strives to enhance the public understanding of 'one country, two

systems' and its implementation in Hong Kong; to facilitate public understanding of the community and country; to strengthen the dissemination of government information; and to promote a sports culture and social inclusion.

On sound broadcasting, RTHK operates four FM and four AM radio channels, offering radio programmes in Cantonese, English, Putonghua and other languages, including 27 hours of radio programmes every week under the Community Involvement Broadcasting Service.

RTHK operates five digital TV channels. Programmes are mainly in Cantonese, with some in English or Putonghua. To cater for the visually or hearing impaired, some programmes use audio descriptions or sign language.

RTHK provides programmes covering current affairs, education, culture and art, as well as accurate and updated information on government policies and measures through RTHK TV 31 and 32 respectively. RTHK TV 33, 34 and 35 broadcast Mainland programmes and relay Mainland TV channels, including China Central Television Channel 1, China Media Group's China Global Television Network (CGTN) Documentary Channel and CGTN English Channel so as to provide more choices to the local audience and enrich Hong Kong residents' understanding about the country's development and achievements. RTHK also co-produces programmes with Mainland broadcasters to enhance public understanding of the motherland, with themes covering food, culture, travel, music and art.

As of December, the RTHK website and mobile applications had about 510,000 daily average users.

Postal Services

Hongkong Post provides reliable postal and related services at affordable prices. In 2025, it handled 0.61 billion postal items, 91.4 per cent of which were local mail. Having regard to the growth of e-commerce, Hongkong Post has significantly expanded the collection network through partnership with local convenience stores and the installation of self-service iPostal Stations. Furthermore, Hongkong Post is actively collaborating with various online marketplaces and courier companies to provide customised delivery solutions, thereby maximising the efficacy of the local postal network.

The government has decided to terminate the original redevelopment plan for the Air Mail Centre. A more cost-effective replacement proposal will be introduced to enhance Hongkong Post's efficiency and capacity in handling mail to adequately meet the long-term postal needs. Hongkong Post is looking into the specific details of the proposal and will also strengthen cooperation with China Post, leveraging each other's strengths and sharing of resources, with a view to jointly promoting the high-quality development of the GBA.

Stamps and Philately

During the year, Hongkong Post released 12 issues of special and commemorative stamps, including the 'Year of the Snake' and 'The 15th National Games' souvenir packs jointly issued with China Post, Hongkong Post and Macao Post and Telecommunications. Among the others were 'Hong Kong Museums Collection – Fuyun Xuan Collection of Chinese Snuff Bottles', 'Giant

Panda Twin Cubs’, and ‘Aviation Development in Hong Kong’. In addition, the ‘2025 Hong Kong Definitive Stamps’ introduced Hong Kong’s famous landmarks through a set of 16 stamps, showcasing the city as an international financial hub and an East-meets-West centre for international cultural exchange.

Postal Cooperation

Hongkong Post organised and hosted the sixth Mainland-Hong Kong-Macao Postal Summit in June, promoting the deepening of exchange and collaboration among the three postal administrations. Additionally, Hongkong Post participated in the 28th Universal Postal Union Congress, as part of the People’s Republic of China delegation, and the Chief Executive Officers meeting of the Kahala Posts Group.

Film Classification

To allow a wide choice of films for adults while protecting children and young people, Hong Kong adopts a three-tier film classification system with four categories: Category I, suitable for all ages; Category IIA, not suitable for children; Category IIB, not suitable for young persons and children; and Category III, for persons aged 18 or above only. Categories IIA and IIB are advisory, while the age restriction for Category III films is mandatory. The classification standards are kept in line with society’s expectations through public surveys and consultation with a statutory advisory panel of about 300 members drawn from different backgrounds. The Board of Review (Film Censorship) reviews film classification decisions upon request.

During the year, 2,335 films were classified, of which 992, 659, 541 and 143 films were classified as Category I, Category IIA, Category IIB and Category III respectively.

Control of Obscene and Indecent Articles

The policy objective on the control of obscene and indecent articles is to protect children and young people from the influence of harmful material while maintaining the free flow of information. The publication and public display of obscene and indecent articles is regulated under the Control of Obscene and Indecent Articles Ordinance. The relevant enforcement agencies are the Office for Film, Newspaper and Article Administration, the Hong Kong Police Force and the Customs and Excise Department.

An article may be classified as Class I (neither obscene nor indecent), Class II (indecent) or Class III (obscene). The ordinance prohibits the publication of Class III articles. Publishers, authors, printers, manufacturers, importers, distributors and copyright owners may submit articles voluntarily to the Obscene Articles Tribunal for classification before publication if in doubt.

The Office for Film, Newspaper and Article Administration is committed to taking forward diverse publicity and public education work and working with various stakeholders, to enhance public awareness of the ordinance and promote the message of staying away from obscene and indecent content online.

Websites

Commerce and Economic Development Bureau: www.cedb.gov.hk

Communications Authority: www.coms-auth.hk

Competition Commission: www.compcomm.hk

Consumer Council: www.consumer.org.hk

Customs and Excise Department: www.customs.gov.hk

Hongkong Post: www.hongkongpost.hk

Hong Kong Trade Development Council: www.hktdc.com

Intellectual Property Department: www.ipd.gov.hk

Invest Hong Kong: www.investhk.gov.hk

Office of the Communications Authority: www.ofca.gov.hk

Office for Film, Newspaper and Article Administration: www.ofnaa.gov.hk

Radio Television Hong Kong: www.rthk.hk

Trade and Industry Department: www.tid.gov.hk