RICS Hong Kong – Key Recommendations for the Hong Kong Five-Year Plan

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Introduction:

RICS Hong Kong would like to express our sincere appreciation to the **Development Bureau** invitation and for convening the stakeholder engagement session on the Hong Kong Five-Year Plan. We are grateful to the following Government representatives for taking the time to engage with the professional sector and exchange views on Hong Kong's long-term development:

- **Mr David Lam Chi-man, JP**, Under Secretary for Development, Development Bureau
- **Ms Pecvin Yong Pui-wan, JP**, Deputy Secretary for Development (Planning & Lands) 1, Development Bureau
- **Ms Joyce Chan Nga-sze**, Deputy Secretary for Development (Planning & Lands) (Special Duties), Development Bureau
- **Mr Tom Yip Chi-kwa, JP**, Director of Planning, Planning Department
- **Mr Yue Chak-sang**, Assistant Director/New Buildings 1, Buildings Department
- **Mr Frank Tsang Chun-man, JP**, Deputy Secretary for Development (Planning & Lands) 3, Development Bureau
- **Mr David Leung Hon-wan**, Deputy Secretary for Development (Works) 3 (Acting), Development Bureau
- **Ms Jane Choi Kwok-chun**, Deputy Director/General, Lands Department

We would also like to extend our sincere thanks to the **Hong Kong Institute of Urban Design (HKIUD)** for its valuable participation and constructive contributions to the discussion.

RICS greatly appreciates the opportunity to engage in an open and constructive dialogue with the Government and fellow professional institutions on Hong Kong's long-term development. As an internationally recognised professional body representing professionals across the built and natural environment, RICS is pleased to submit the following recommendations to support Hong Kong's long-term competitiveness, resilience and sustainable development under the National 15th Five-Year Plan.

Executive Summary:

The Northern Metropolis represents a once-in-a-generation opportunity to shape Hong Kong's future. RICS encourages the Government to position the Northern Metropolis not only as a major land and infrastructure development, but as a globally competitive, innovation-driven and liveable city. Achieving this vision will require an integrated approach encompassing talent attraction, international investment, cost competitiveness, digital transformation, sustainability, effective governance and high-quality place-making.

1. Strengthen Hong Kong's Strategic Position within the National 15th Five-Year Plan

To support Hong Kong's long-term development under the National 15th Five-Year Plan and the Guangdong-Hong Kong-Macao Greater Bay Area strategy, RICS recommends that the Government clearly articulate Hong Kong's strategic role over the coming decade. While reinforcing its position as an international financial centre, Hong Kong should also capitalise on its internationally recognised strengths in professional services, innovation, sustainability, the rule of law and global connectivity.

The Northern Metropolis should be positioned as Hong Kong's flagship innovation and investment destination. Greater international promotion should be undertaken to raise awareness among overseas developers, institutional investors and multinational enterprises, encouraging greater foreign investment, strategic partnerships and economic activity.

2. Attract and Retain Global Talent

Hong Kong's talent attraction initiatives have achieved encouraging progress; however, retaining international professionals will be equally important. Rising housing costs continue to affect Hong Kong's competitiveness and the attractiveness of relocating to the city.

RICS recommends positioning the Northern Metropolis as an integrated live-work community that provides quality employment opportunities alongside diverse and affordable housing options, creating an attractive environment for international professionals and their families.

To further strengthen Hong Kong's position as an international professional services hub, consideration should also be given to broadening the recognition of overseas professional qualifications where appropriate, enabling suitably qualified international professionals to contribute more readily to Hong Kong's economy and built environment sector.

3. Improve Cost Competitiveness and Project Delivery

Hong Kong's construction costs remain significantly higher than neighbouring Mainland cities, and enterprises considering investment in the Northern Metropolis frequently compare development costs directly with cities such as Shenzhen.

RICS recommends reviewing and streamlining planning, approval, procurement and project delivery processes to reduce unnecessary complexity and improve efficiency while maintaining Hong Kong's internationally recognised standards of quality and governance.

The continued adoption of Modern Methods of Construction (MiC), Design for Manufacture and Assembly (DfMA), robotics and digital construction technologies should be encouraged to improve productivity and reduce construction costs.

Hong Kong should continue to uphold its internationally recognised procurement and professional standards while exploring greater harmonisation with relevant Mainland standards and practices where appropriate to facilitate cross-boundary collaboration and improve efficiency.

Greater involvement of quantity surveyors and other multidisciplinary professionals throughout project planning and delivery would further enhance value for money, strengthen cost management and improve the successful delivery of major infrastructure and development projects.

4. Strengthen Governance, Market Confidence and Implementation

The success of the Five-Year Plan will depend not only on its vision but also on effective implementation.

RICS recommends establishing a clear implementation strategy supported by defined priorities, phased delivery, measurable Key Performance Indicators (KPIs) and transparent monitoring mechanisms.

The Government could also consider establishing a multidisciplinary advisory platform comprising government, professional institutions, academia and industry representatives to provide ongoing advice on the Northern Metropolis. Such a platform could monitor market trends, talent flows, investment demand and supply, and provide evidence-based recommendations to support long-term planning and policy development.

Providing greater certainty through transparent land supply strategies, consistent implementation and regular engagement with industry stakeholders will strengthen investor confidence and support sustainable long-term development.

5. Prepare Hong Kong's Built Environment for Artificial Intelligence

Artificial Intelligence is expected to reshape demand for commercial real estate and the future use of office space globally.

RICS recommends proactively reviewing planning and regulatory policies to facilitate the adaptive reuse and conversion of underutilised office buildings where appropriate, including office-to-residential conversion, ensuring that Hong Kong's existing building stock remains adaptable to changing economic and workplace trends.

The Government should also continue to assess the long-term implications of Artificial Intelligence on commercial property demand and future land-use planning.

6. Accelerate Digital Transformation and Smart City Development

The Northern Metropolis provides an ideal opportunity to establish Hong Kong as a global leader in digital planning and smart city development.

RICS recommends:

- Developing a comprehensive city-wide digital foundation through the Common Spatial Data Infrastructure (CSDI), using the Northern Metropolis as a pilot before extending the framework across Hong Kong.
- Empowering the Spatial Data Office to strengthen cross-departmental spatial data integration and sharing.
- Requiring government projects to integrate Building Information Modelling (BIM), Geographic Information Systems (GIS), 4D programme management and 5D cost management to improve project planning, construction, asset management and resource allocation.
- Accelerating the development of Digital Twin capabilities to support evidence-based planning, infrastructure management, emergency response and city-wide operations.
- Applying Artificial Intelligence and Internet of Things (IoT) technologies to establish predictive building health monitoring systems, digital asset registers and proactive maintenance programmes.
- Applying AI-assisted analytics to optimise land management, forecast development demand and support more dynamic land-use planning.
- Integrating building condition, land ownership, infrastructure, slope, retaining wall and utility data through the CSDI platform to strengthen city resilience, risk monitoring and emergency management.
- Progressively opening non-sensitive spatial data through the CSDI platform to encourage innovation, research and public-private collaboration.

7. Support the Development of the Low-altitude Economy

As part of Hong Kong's innovation agenda, RICS recommends establishing the planning, spatial data and legal frameworks necessary to support the emerging low-altitude economy.

This includes developing three-dimensional spatial planning and land administration, defining drone corridors, vertiport infrastructure and airspace management arrangements, and providing the digital foundation required to support future low-altitude transport, logistics and smart city applications.

8. Advance Sustainability and Green Building Leadership

Hong Kong has a unique opportunity to position itself as Asia's leading ESG and Green Building Testing Ground.

RICS recommends that the Government consider:

- Piloting advanced carbon disclosure requirements.
- Introducing whole-life carbon assessments for developments.
- Promoting green lease standards.
- Strengthening integration between sustainable development and green finance.
- Using the Northern Metropolis as a demonstration district for innovative green building policies and sustainable development practices.

Drawing upon RICS' international experience across markets including London, Singapore and Sydney, the Institution would welcome continued collaboration with the Government in developing internationally aligned ESG standards and best practices.

9. Continue Collaboration with the Professional Sector

RICS welcomes the opportunity to continue working closely with the Government and other professional institutions to support the implementation of the Hong Kong Five-Year Plan.

By combining international best practice with local expertise, RICS stands ready to contribute technical knowledge, policy insights and professional expertise to help shape a globally competitive, resilient and sustainable Hong Kong for the decades ahead.

Prepared by

Royal Institution of Chartered Surveyors (RICS) Hong Kong

Acknowledgements:

RICS HK Regional Advisory Board

- Chair
    - Ada Fung FRICS
- Members
    - Patrick Wong FRICS
    - Ling Lam FRICS
    - Justin Yu FRICS
    - Lesly Lam MRICS

RICS HK Member Engagement Group

- Chair
    - Alan Choi MRICS