



14 July 2026

Dear Members,

When people talk about the Northern Metropolis, the conversation tends to settle into two familiar areas: housing supply and technology clusters. Both are real but neither comes close to capturing what is actually being built.

Covering approximately 300 square kilometres across the northern New Territories, the Northern Metropolis is structured around four distinct zones, each playing a different economic and social role. Together they form what is best understood as a new dimension of the city, not an extension of what already exists. Hong Kong is not simply adding more city. It is building a different one.

The Innovation and Technology Zone attracts the most attention, and the ambition behind it is genuine. San Tin Technopole sits at its heart, designed to concentrate high-value I&T activity in close proximity to Shenzhen's technology ecosystem. The intent is not to create lab space. It is to build genuine cluster density, where researchers, commercialisation talent, capital and industry intersect at scale to generate compounding rather than isolated returns. A couple of weeks ago, I addressed Hong Kong's I&T ambitions in detail in my weekly message. The Innovation and Technology Zone is where those ambitions find their physical address.

The zone that reveals the more sophisticated thinking behind the programme is the High-end Professional Services and Logistics Hub. Hong Kong's competitive advantage has never been purely financial or purely technological. It has been the combination: the ability to structure, advise, execute, and move complex transactions and goods through a trusted legal and regulatory framework. This hub deepens that capacity in proximity to the border, which matters because GBA commercial activity generates professional services demand at a scale that Hong Kong's current spatial configuration cannot fully serve. Positioning that capacity in the north is a deliberate commercial decision, not a geographic convenience.

The Boundary Commerce and Industry Zone is the most direct expression of cross-boundary integration. Positioned at the interface between Hong Kong and the mainland, it is designed to capture commercial flows and industrial activity that benefit from both regulatory environments. It is not a free trade zone in the traditional sense. It is something more specific: a facilitation layer for cross-boundary economic activity that would otherwise be slowed by the friction of operating across two distinct systems. In my message last week around the discussion of dual connectivity, this zone is where that connectivity becomes operational rather than conceptual.

The fourth zone is the one most consistently underestimated in public commentary. The Blue and Green Recreation, Tourism and Conservation Circle is not a concession to environmental lobbying or a planning requirement satisfied on paper. It reflects something the HKSAR Government's First Five-Year Plan understands that purely industrial development frameworks tend to miss: talent concentration requires quality of life, and quality of life in a dense urban environment increasingly depends on genuine proximity to natural landscape and liveable public space. The conservation projects and smart, green, and resilient strategies embedded in this zone are not an afterthought. Instead, they are an integral part of the proposition Hong Kong is making to the researchers, professionals, and entrepreneurs it needs to attract and retain.

That connection between the built environment and talent strategy will be explored further in my message next week.

The Northern Metropolis also carries legislative backing through the Northern Metropolis Development Bill. This matters more than it might initially appear. Large-scale programmes without statutory footing are vulnerable to reprioritisation across administration cycles. The Development Bill signals structural policy, not a programme that lives or dies by political calendar, and it gives private sector participants the kind of certainty that changes long-term capital and operational decisions in ways that softer commitments simply cannot.

For AustCham members, the four-zone structure opens opportunity across a genuine breadth of sectors. Built environment, engineering and infrastructure firms will recognise a decade-long pipeline rather than a single procurement cycle. Legal, financial advisory and environmental consultancy are already active at the planning stages. Members with sustainability and green technology expertise will find the Conservation Circle directly relevant. Those in logistics, trade facilitation and cross-boundary services have a concrete commercial proposition in the Boundary Commerce and Industry Zone worth examining now rather than later.

The Five-Year Plan's emphasis on Northern Metropolis delivery is not simply a spatial planning chapter. It is the physical expression of everything the Plan proposes: I&T ambition, professional services depth, cross-boundary integration and sustainable competitiveness within a single coherent geography. Whether the four zones develop in genuine coordination or fragment into separate delivery tracks will say a great deal about the Government's capacity to execute policy that is genuinely integrated.

Hong Kong has reshaped its geography before. Victoria Harbour defined a century of commercial identity. The question the Northern Metropolis asks is whether the city has the institutional will to define the next one.

With the consultation period open until 14 August, members who have active interests in any of these areas have a real chance to shape what happens next, including the order in which projects are rolled out, the commercial models adopted, and the way cross-boundary regulations are structured. At this stage, practical, experience-based feedback will carry much more weight than general expressions of support.

Warm regards,
Mary Simpson, AustCham Hong Kong Chief Executive