AUSTCHAM
HONG KONG
A MEMBER OF AUSTCHAM GREATER CHINA

18 August 2026

Dear Members,

Following AustCham's submission to the First Five-Year Plan consultation and the Chief Executive's 2026 Policy Address process, this week I want to unpack one of its central themes: how Hong Kong can strengthen its role as an international financial centre by connecting capital to the real economy. This is the second message in our three-part series on the submission.

The competition among international financial centres is no longer only about market depth or listings. It is increasingly about which centre can connect capital to the strategic sectors that will define the next twenty years: the energy transition, critical supply chains, infrastructure, life sciences and AI.

Why it matters: financial centres that only process transactions will lose ground to those that help fund real businesses, projects, and industries. This is where Hong Kong's next financial centre story can be written, and why capital markets sit at the centre of AustCham's submission.

Critical minerals illustrate the opportunity. Lithium, nickel, cobalt, copper and rare earth elements are central to battery technology, renewable energy, electric mobility, advanced manufacturing, AI hardware and defence supply chains. The projects that produce them need long-term capital from investors who understand the sector. Hong Kong has the legal system, trusted regulators, green finance expertise and proximity to Chinese Mainland demand to become a major regional financing platform. Australia's project pipeline makes the fit especially strong.

Recent developments show why this matters now. Rare earth prices are being supported by AI-driven hardware demand, while regional institutions are creating financing tools to make critical minerals supply chains more secure and easier to finance, including processing and recycling capacity. The Asian Development Bank has launched a facility to help Asia-Pacific economies move further up the critical minerals value chain, with Japan and the United Kingdom among the early backers. Hong Kong's opportunity is to help credible projects raise the capital they need, supported by capital, markets and professional services.

What we recommend: Hong Kong should make it easier for high-quality critical minerals and transition projects to raise capital here, while maintaining strong investor protection.

These projects are different from many other listed companies. They often need large upfront investment, take years to develop and rely on specialist technical reporting before revenue is generated. If Hong Kong wants to become a serious financing centre for the sector, its rules and guidance need to reflect how these projects actually work.

The opportunity is also bigger than critical minerals. It is about how Hong Kong presents itself as a financial centre. Public markets, green finance, family offices, venture capital, infrastructure, biotechnology, and resource financing are often discussed separately. AustCham's view is that they should be brought together under a clearer proposition: Hong Kong as the place where Asian and international capital can fund the sectors shaping the next economy.

Australia should be central to that story. Its superannuation system is one of the largest pools of long-term capital in the world, with more than HK$22 trillion in assets under management. Even a small increase in allocation to investments listed, managed, or structured through Hong Kong would be meaningful for Hong Kong's markets.

To support this, AustCham has recommended closer dialogue between Hong Kong and Australian regulators and industry bodies, including on areas where investors and companies are being asked for different information in each market. We have also proposed a regular government-to-government dialogue on financial services between Australia and Hong Kong, with a comprehensive double taxation agreement as a priority.

Private wealth also has a role to play. Family offices and next-generation investors are increasingly looking to invest in areas such as critical minerals, clean energy, infrastructure, biomedical innovation and private markets. Hong Kong is well placed to connect those investors with credible opportunities, and Australia should be treated as a priority market in that effort.

The Chamber's view is simple: Hong Kong's financial centre story is strongest when it is connected to real businesses, projects and industries. Critical minerals, clean energy and innovation are not separate from financial services. They are where future capital will need to go.

If your business has expertise in capital markets, resources, transition finance, infrastructure, institutional investment or private wealth, we would welcome your input. Please email austcham@austcham.com.hk. In particular, we are keen to hear where current listing, disclosure, tax, or regulatory settings create unnecessary friction for businesses, investors or issuers.

Next week, I will turn to talent, education, healthcare, AI, the Northern Metropolis and delivery.

Read AustCham's **Response to the First Five-Year Plan consultation and the Chief Executive's 2026 Policy Address**.

Warm regards,
Mary Simpson, AustCham Hong Kong Chief Executive

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