

Press Release

The Hong Kong Institution of Engineers Responses to the 2025-26 Budget

(Hong Kong, 27 February 2025) The Hong Kong Institution of Engineers (HKIE) welcomes the Government's adoption of some of our previously submitted recommendations in the 2025-26 Budget. These measures will help Hong Kong address the challenges in sight while seizing opportunities to promote high-quality development and drive long-term economic growth. The HKIE's responses to the Budget are as follows:

Promoting Innovation and Technology (I&T) and New Industrialisation

One of the core drivers of new quality productive forces is the advancement of Artificial Intelligence (AI). The HKIE welcomes the Government's allocation of HK\$100 million to launch the two-year Pilot Manufacturing and Production Line Upgrade Support Scheme (Manufacturing+), under which enterprises operating production lines in Hong Kong will receive matching grants of up to HK\$250,000 on a one-to-two matching basis. The HKIE believes that this initiative will assist enterprises with establishing smart production lines and recommends that the Government enhance the Scheme further by offering additional subsidies to local companies employing local engineers and technologists. In addition, the HKIE welcomes the Government's plan to launch the I&T Accelerator Pilot Scheme, which will provide matching grants of up to HK\$30 million per professional start-up service agency, further enriching Hong Kong's start-up ecosystem.

The HKIE is also pleased to note the Government's adoption of our recommendations to actively promote the long-term development of low-altitude economy. The Government is planning to submit proposed amendments to the Small Unmanned Aircraft Order to the Legislative Council in the second quarter of this year, explore the enactment of new legislation dedicated to Advanced Air Mobility, and strengthen cooperation with Mainland authorities on matters related to low-altitude economy. These measures are expected to facilitate cross-border collaboration and development.

Furthermore, the HKIE recognises Hong Kong's potentially significant role in supporting the international market expansion of the country's domestically developed C919 aircraft. The Hong Kong International Aviation Academy will expand its training programmes to cover C919-related fields and explore driving Hong Kong towards becoming the first aircraft parts processing and trading centre in Asia, further solidifying the city's global position in aviation.

Trawling for and Nurturing Talent

The Government's imminent plans to enhance the Admission Scheme for Mainland

Talents and Professionals and the General Employment Policy will allow young non-degree holding professionals with technical qualifications and experience to work in Hong Kong. These plans will specifically address the shortage of associate degree-level talent in the engineering sector.

The HKIE is committed to talent development and is pleased to note the Government's allocation of resources to support professional development in the construction industry. Over the next two years, the Government will support the Centre of Excellence for Major Project Leaders, provide on-the-job training subsidies for trainees enrolling in part-time construction-related degree programmes, and fund the construction sector's on-the-job training for approximately 2,500 graduates in engineering, architecture, surveying, planning, and landscape architecture. These initiatives will assist young practitioners with obtaining professional qualifications and strengthen the industry's talent pipeline.

The HKIE is also delighted by two additional training-related measures outlined in the Budget. The Government and the Construction Industry Council (CIC) will jointly allocate HK\$245 million to subsidise on-the-job training provided by the sector for approximately 3,500 young specialised professionals. By offering on-the-job training opportunities across both technical and professional levels, the initiative will not only enhance young professionals' expertise and experience, but also provide clear progression pathways in their careers and continual education, thereby attracting more talent to the construction sector. The HKIE is eager to work with the Government and the CIC to advance various training programmes and measures that attract our youth to the profession, as well as to encourage more extensive technological applications. It is believed that these measures can address future workforce demands in support of Hong Kong's infrastructure, economic, and social development.

The HKIE is also pleased to note the Government's plan to engage technology enterprises in student outreach activities over the coming year, including on-campus product demonstrations and site visits, and to allocate resources for technological education such as coding and AI learning in schools. The HKIE stands ready to coordinate its members to share their experiences and provide engineering insights for primary and secondary schools, contributing in the long term to the engineering profession's talent reserve.

Infrastructure Planning and Sustainable Development

The HKIE welcomes the Government's acceleration of Northern Metropolis development and its prioritisation of investments in the major industries within the area, including I&T, high-end professional services and modern logistics, tertiary education, and culture, sports, and tourism. The HKIE also supports the Government's adoption of a diversified development approach, such as piloting "large-scale land disposal", and its plan to commence tendering for three pilot projects in the latter half of this year.

The HKIE is heartened by the Government's proactive planning of transport

infrastructure, including the commencement of investigation and design studies for the Hong Kong-Shenzhen Western Rail Link (Hung Shui Kiu – Qianhai) project and the detailed planning and design of the Northern Link Spur Line. Additionally, the Government is expending efforts on initiating the South Island Line (West) project’s planning and design, as well as planning to tender, respectively, for the Kai Tak project this year and for the East Kowloon, Hung Shui Kiu/Ha Tsuen, and Yuen Long South New Development Area projects next year.

The HKIE shares the view that urban planning and engineering projects can unleash Hong Kong’s economic vitality. We are supportive of the Government’s initiative to forge a more appealing cityscape by enhancing the Victoria Harbour waterfronts, including refining waterfront facilities, upgrading public space designs, and improving transport connectivity. We also welcome the impending study on developing a new harbourfront landmark in Hung Hom that aims to integrate commercial, residential, and yacht tourism facilities to further strengthen the area’s economic and tourism appeal. These projects will not only revitalise communities but also enhance infrastructure and visitor experiences, reinforcing Hong Kong’s position as a world-class tourism destination.

The HKIE appreciates the Government’s promotion of green shipping and green aviation, including efforts to position Hong Kong as a green maritime fuel bunkering centre and advance the application of sustainable aviation fuel at the Hong Kong International Airport. Furthermore, the Government will subsidise franchised bus operators in purchasing electric buses, and the taxi trade in purchasing electric taxis, under the New Energy Transport Fund. A subsidy scheme will also be launched to provide impetus for the industry to install fast chargers for electric vehicles.

Leveraging Opportunities from Greater Bay Area (GBA)

The HKIE is pleased to note the Government’s adoption of our recommendation to leverage complementary advantages and synergies in Modular Integrated Construction (MiC), and to develop it into an industry in the GBA. Efforts will be focused on MiC’s research and development, quality accreditation, and international market expansion. Guangdong Province and the Macao SAR will join hands with the Government to formulate GBA standards on the skill levels for the construction sector’s skilled workers and technicians, and to take forward the “One Examination, Multiple Certification” arrangement, with the GBA standards for the first pilot trade to be announced in due course. These initiatives will fully leverage Hong Kong’s role as a “super-connector” and “super value-adder” in the region.

As our nation, together with Hong Kong, advances towards high-quality development, collaboration between Hong Kong and the Mainland, including the GBA, will become increasingly important. In collaboration with different sectors, the HKIE and the engineering sector will construct a better Hong Kong through our continual contributions of professional expertise and capabilities.

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