

Commentary 1:
The Plan's Construction and the Mainland's Reading

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Hong Kong's first Five-Year Plan (FFYP) states that its content was guided by the principle of "planning-first, infrastructure-led, industry-driven, and livelihood oriented" (FFYP, Part 1, Introduction). It is meant to establish a framework that could change how the city governs its development. It links a longer planning horizon with annual policy commitments, public expenditure and reporting. Its significance lies in the opportunity to organise government and its partners around changes that take years to achieve and extend across departmental boundaries.

Senior officials and scholars in Beijing have also been unusually explicit about what they believe the plan represents for Hong Kong's governance. Their reading, set out at a seminar in Shenzhen on 24 October 2026, carries expectations about reform, distribution and accountability that will shape how implementation is judged.

This commentary examines how the plan is constructed, its machinery and its meaning as read in Beijing, and distils the expectations voiced in Shenzhen into a set of tests.

1. A framework for sustained direction

The FFYP recognises that Hong Kong's established advantages will not automatically secure future prosperity. Its international connectivity, rule of law, financial and professional services, universities and talent remain important. But geopolitical change, technological development and economic restructuring require these capabilities to be deployed in new ways.

The relationship between the FFYP and successive Policy Addresses is therefore consequential. The plan establishes strategic direction; annual Policy Addresses identify actions and milestones; budgets provide resources; and reporting accounts for progress. Read together, these instruments could help sustain policies beyond annual cycles and show whether successive initiatives are contributing to the intended outcomes.

Officials have begun to describe this architecture in explicit terms. Stephen Wong Yuen-shan, head of the Chief Executive's Policy Unit, calls the FFYP the "design blueprint" (設計圖) and each annual Policy Address the "construction blueprint" (施工圖), with budgets and reporting completing the cycle. Macau's third five-year plan, published in August 2026, shows where this discipline can lead: 35 headline indicators, 310 priority tasks and 112 reform measures, each assigned to named departments through formal division-of-labour lists. Hong Kong's own machinery, with 105 indicators, Policy Address, budget and annual reporting, is likely to be held to a comparable standard.

The FFYP should be assessed partly by the framework it establishes. It cannot settle every implementation question at once. Five-year planning provides a means of holding direction steady while refining policies, learning from experience and addressing obstacles as they emerge.

This will require discipline. An annual report can record that a facility opened, a scheme was launched or a target was met. It should also explain whether those outputs are changing the system in the intended way. More land ready for construction, for example, is an important enabling achievement. The economic, environmental and social quality of the development that follows is in fact the larger test.

2. Government as a systems architect

The plan's combination of an effective market and capable government raises a practical question: what must government do to enable different actors to produce results together? This pairing, "an effective market" (有效市場) and "a capable government" (有為政府), is now the stated formula, and its practical meaning is being defined as much in mainland seminars and commentary as in Hong Kong's own documents.

Businesses bring capital, enterprise, technology and operational knowledge. Universities contribute research, experimentation and talent. Professional bodies develop standards and translate knowledge into practice. Communities contribute experience of how policies affect people and places. These capabilities are valuable, but they do not necessarily combine or align without deliberate arrangements.

The government would need to act as a systems architect. It must understand how infrastructure, regulation, finance, technology, ecological conditions and social needs interact, and organise the institutions and decisions needed to make them work together. Depending on the problem, this may involve public procurement, standards, access to data, investment, risk sharing or the authority to bring participants together and resolve disagreements. After all, the government's

authority to convene gatherings of stakeholders to explore and solve problem is a "freebie" in political terms, as the cost is not in monetary terms but in terms of time and effort to find solutions.

This role as a systems architect and as convenor is especially important where everyone is waiting for someone else to act. The government needs to help establish conditions under which action becomes viable. It also distinguishes major transformations from the routine administration and service delivery that remain essential. The most consequential changes need clear outcomes, sequencing and intermediate milestones, responsible institutions and a means of resolving obstacles across organisational boundaries.

The FFYP's emphasis on departmental accountability, collaboration, data and digital administration provides useful machinery. Its effectiveness will depend on whether that machinery is directed towards shared results. Technology can improve the information available to decision makers; leadership must still decide how competing objectives will be reconciled and who is accountable for the whole.

3. How the mainland reads the plan

Senior mainland figures have been strikingly direct about the governance shift they believe the plan inaugurates. Speaking at the Chinese Academy of Social Sciences' One Country, Two Systems academic symposium in Shenzhen on 24 October 2026, Deng Zhonghua, former deputy director of the State Council's Hong Kong and Macau Affairs Office and now president of the semi-official Chinese Association of Hong Kong and Macau Studies, described the five-year plans of Hong Kong and Macau as a fundamental change in governing philosophy: from short-term administration to medium- and long-term top-level design; from "positive non-intervention" (積極不干預) towards an organic combination of an efficient market (有效市場) and a capable government (有為政府), and from passive response to proactive engagement. The government's role, in his formulation, is to act as a "visible hand" (看得見的手) where the market fails.

Deng's diagnosis was blunt. Hong Kong and Macau share deep-rooted contradictions (深層次矛盾): a narrow economic structure, insufficient growth momentum, interests that have hardened over time, and development gains that have not been shared evenly. The remedy, he argued, is to break down the blockades of vested interests (既得利益藩籬) through reform, and to generate new momentum (新動能) through innovation. Significantly, he urged officials to deregulate in support of emerging industries and to establish a "fault-tolerant, error-correction mechanism" (容錯糾錯機制) for bold reform within the legal framework – an indication that excessive official caution is now regarded in Beijing as a greater risk than well-intentioned experimentation.

Wang Zhenmin, dean of the Institute for Governance Studies at Tsinghua University, supplied the intellectual justification. The FFYP, he argued, targets problems the market economy has failed to resolve, above all the wealth gap (貧富差距) and a narrow economic structure. Noting that many Hong Kong residents were living in poverty and that many families still occupy subdivided flats, he warned that relying on the market would intensify these conflicts and ultimately threaten social stability. He rejected the suggestion that planning would turn Hong Kong into a mainland-style socialist system; on this account, state guidance is corrective rather than ideological, and the city's core advantages – its free-port status, low taxes, markets and the rule of law – are preserved, even as policy incentives and public funding take on a stronger guiding role.

Expectations about implementation are equally pointed. Gao Xiang, president of the Chinese Academy of Social Sciences, described FFYP as the instrument that makes executive-led governance "operable, verifiable and accountable" (可操作，可檢查，可問責) invoking the dictum that success is one-tenth deployment and nine-tenths implementation (一分部署，九分落實).

Mainland reporting of the meeting framed the symposium as marking the plans' passage from "unveiling the blueprint" (公佈藍圖) to "handing in the homework" (執行交功課). One question remains open: Tam Yiu-chung, formerly Hong Kong's sole member of the National People's Congress Standing Committee, proposed a third-party assessment mechanism (第三方評估機制) to monitor implementation independently, an idea the Chief Executive has so far resisted.

These mainland readings matter beyond symbolism. They define what will count as success, i.e. interests confronted and outcomes delivered, including visibly fairer distribution in the success of Hong Kong. That framing reinforces the central argument of this commentary that the plan's most consequential purposes need clear outcomes, responsible institutions and reporting that shows whether the system itself is changing.

4. The yardstick that emerges

Read together, the seminar articulated a yardstick by which the FFYP will be judged:

- Does the plan generate new growth drivers and new tracks (新動能，新賽道), rather than repeat old ones?
- Does it confront any hardened vested interests (既得利益) through reform rather than accommodation?
- Does government act as a capable "visible hand" (看得見的手) where the market has demonstrably failed, while preserving the city's core advantages of openness, low taxes, markets and the rule of law?
- Are the benefits of growth shared with the community rather than left to trickle down?
- Is implementation operable, verifiable and accountable, with indicators and reporting that show whether the system is actually changing?

Taken together, these tests suggest that the FFYP is expected to be more than an economic development blueprint. It should chart new paths for growth, foster the conditions for innovation and experimentation, and position the HKSAR Government as a visible systems architect capable of enabling new solutions to take root. It is also expected to confront vested interests where they impede progress, narrow the gap between economic success and social benefit, and establish robust mechanisms for implementation, monitoring, course correction and public reporting. Ultimately, success will be judged not only by the plan's ambitions, but by demonstrable changes in outcomes and governance.

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