

# GBA Supply Chain Diversity: Enhancing Connectivity Among ASEAN, Hong Kong and Mainland China



In Partnership With:



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# Executive Summary

Driving supply chain diversification, expanding into new markets – especially the much-coveted ASEAN region – and practising green and sustainable development have essentially become the consensus among many of the enterprises participating in the 2024 survey. In many ways, all of these topics can be seen as interrelated and complementary. Following on from the 2023 survey studies [1] of the latter two topics, *HKTDC Research* and *UOB Hong Kong* worked together again in the third quarter of 2024 to track the green and sustainable development process of Greater Bay Area (GBA) enterprises, as well as their investment intentions. They also examined how GBA enterprises, against a backdrop of establishing diversified supply chains domestically and overseas, are adjusting their business strategies, as well as their trading and investment interactions with ASEAN countries.

For the current study, a questionnaire survey of 600 enterprises in Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan) was conducted. For comprehensive analysis purposes, the survey findings were compared with the results of two studies conducted in 2023: *Navigating Connectivity – Exploring ASEAN Opportunities for the Greater Bay Area* [2] and *Sustainability in the GBA: Unlocking Opportunities and Empowering Growth* [3].

## ASEAN the Number One Choice for Strengthening Overseas Supply Chains

- More than 90% of the surveyed GBA enterprises are undertaking or have completed their supply chain strengthening, restructuring and diversification initiatives. Even those enterprises that have not yet commenced such a programme are expected to implement related plans in the next two years. In line with this, strengthening and diversifying supply chains can be seen as a common priority for many enterprises.
- Overall, in terms of strengthening and restructuring supply chains, sourcing (87%) was the area that most enterprises intended to restructure, followed by transportation (82%) and production (82%).
- The fact that enterprises are driving supply chain strengthening and diversification does not necessarily mean that production capacity will be relocated overseas. The mainland (outside of the GBA) is the most important location for GBA enterprises looking to strengthen their supply chains. Overall, the surveyed enterprises have a very positive view of GBA supply chains, with the majority of respondents (60%) agreeing that GBA supply chains have a high level of innovation, with a wealth of smart, digital solutions and high-end technology, as well as a substantial supply of logistics services solutions targeting non-ASEAN overseas countries (52%). In terms of overseas markets, ASEAN is the most important choice for GBA enterprises.

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[1] In Q3 2023, *HKTDC Research* and *UOB Hong Kong* collaborated in survey studies on the above two topics. In *Sustainability in the GBA: Unlocking Opportunities and Empowering Growth*, the focus was on gaining a deeper understanding of how GBA enterprises are implementing green and sustainable development and ESG programmes, the challenges they face, Hong Kong's positioning in the region and its development opportunities for related services. Whereas in *Navigating Connectivity – Exploring ASEAN Opportunities for the Greater Bay Area*, the objective was to understand the changing tendencies of GBA enterprises in developing markets across ASEAN countries and the role of Hong Kong in these areas.

[2] The surveyed parties were 671 enterprises with headquarters in Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan).

[3] The surveyed parties were 300 enterprises with headquarters in Hong Kong, Macao and nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing).

## Production or Sourcing Activities in ASEAN Will Increase Sharply Within Three Years

- The results of the survey indicate that, in the next three years, the production/sourcing activities of GBA enterprises will increase sharply. In line with this, 84% of the surveyed enterprises plan to maintain or expand their production/sourcing operations in the ASEAN region, representing an increase of more than 50 percentage points from the 31% recorded for 2023. It was also apparent that, despite the majority of GBA enterprises carrying out or having completed their supply chain restructuring, strengthening the resilience of overseas supply chains will remain the top priority in the coming years.
- The results of the 2023 survey indicated that GBA enterprises generally saw expanding into the ASEAN market as their business priority for the next three years. From the current survey, GBA enterprises are still actively expanding into ASEAN as a sales market, with 73% of surveyed enterprises saying they will maintain or expand their current market sales activities. This, however, is a decrease of 12 percentage points compared to the 85% recorded for 2023.

## GBA Enterprises Consider a Positive China-ASEAN Partnership to Be Essential

- In the 2024 study, the surveyed GBA enterprises placed an increased emphasis on partnerships, while also valuing the synergies derived from regional economic agreements such as the *Regional Comprehensive Economic Partnership (RCEP)* and the *Belt and Road Initiative (BRI)*. The survey also saw strong trade ties between China and ASEAN (39%) ranked as one of ASEAN's most compelling qualities, followed by trade and investment deals between the ASEAN countries and major markets other than China (37%) and improving intra-ASEAN cooperation (37%).
- Among the surveyed enterprises that have already entered the ASEAN market, Singapore, Malaysia and Indonesia are considered the primary choices for doing business. Overall, their development plans for the next three years appear to be in line with the current geographical distribution of their businesses. Beyond that, however, the results of the most recent survey indicate that interest in six other ASEAN countries – Thailand, Vietnam, the Philippines, Cambodia, Laos and Brunei – seems to have evened out among participating enterprises.
- Meanwhile, with the ASEAN bloc having become a focus for trading and investment on the part of many multinationals, many of the participating enterprises now consider finding suitable/capable local service providers as their biggest challenge (32%). In addition, there were concerns over data security (25%) and the difficulty in finding talents with the required expertise (25%).

## GBA Enterprises' ESG Investment Will Increase by 25% in the Next Two Years

- In terms of the implementation progress of green and sustainable practices and the investment intentions of GBA enterprises, the results of the most recent survey are encouraging, with more enterprises having initiated their green and sustainable development programmes. In the 2024 survey, 81% of enterprises said they had already adopted green and sustainable practices, 16 percentage points higher than the 65% recorded for 2023. The top three practices implemented were: environmental protection (42%), adoption of green office practices (40%) and use of green services (39%). Compared with 2023, the implementation rates of specific green practices increased significantly in 2024.
- The survey results also indicated that there is a general decline in the level of the challenges encountered by enterprises when implementing their green and sustainable development initiatives. Overall, lack of experience (49%), lack of talents (44%) and cost pressures (43%) were identified as the three most substantial obstacles. For most of the identified challenges, however, the percentage of respondents singling them out was lower than in 2023.
- With ESG widely established as a key corporate development strategy, almost all of the GBA enterprises (99.8%) participating in the recent survey indicated their intent to incorporate such elements into their operations over the next two years, a similar figure to the 99.7% recorded for 2023. In something of a change, however, many enterprises are now considering incorporating ESG elements into a wider range of operations instead of focusing solely on production/operation processes and product/service certifications.
- In addition, almost all of the surveyed enterprises (98%) plan to increase or maintain their level of ESG investment in the next two years, a four percentage-point increase compared to 2023 (94%). Participating enterprises were also more willing to increase their level of ESG inputs. More specifically, related budget allocation for the next two years has been markedly increased, with the figure now averaging HK\$462,535, almost 25% higher than the figure of HK\$371,333 recorded for 2023.

## GBA Enterprises Increasingly Recognise Hong Kong's Role

- As far as ASEAN-focused trade and investment activities are concerned, GBA enterprises are increasingly recognising the role Hong Kong plays as the GBA-ASEAN super-connector. This sees many of them well aware of the highly relevant and proficient service support Hong Kong can provide to mainland GBA enterprises as they look to expand into the ASEAN market and seize the huge regional development opportunities on offer.
- When asked to evaluate Hong Kong's connectivity with ASEAN, the surveyed enterprises accorded it an average score of 8.43 out of 10, while Hong Kong's connectivity with other GBA cities was scored at 8.46. In both cases, the outcome was higher than the corresponding figure in the 2023 survey.
- In terms of sustainable business development, Hong Kong, the GBA's leading green financing and professional services platform, was widely seen as able to provide GBA enterprises with a wide range of professional service supports. It was also notable that many GBA enterprises had a high regard for Hong Kong's diverse range of green services including green applications, sustainable development consultancy services, green financing and energy transformation, according them an overall average score of 8.67 out of 10.
- Hong Kong was also seen as possessing considerable advantages in terms of its range of green applications, financial products and services. In line with this, a significant proportion of GBA enterprises evidenced a strong desire to utilise and gain a more thorough understanding of Hong Kong's sustainable development services, with a higher proportion of them also inclined to increase their use of Hong Kong-sourced green products and services. More specifically, more than 80% of participating GBA enterprises stated that, over the course of the next two years, they intend to increase their use of Hong Kong-sourced sustainable development products and services, a 10 percentage-point rise from the 70% stating the same intent in the 2023 survey.

# Chapter 1: Supply Chain Strengthening and Diversification



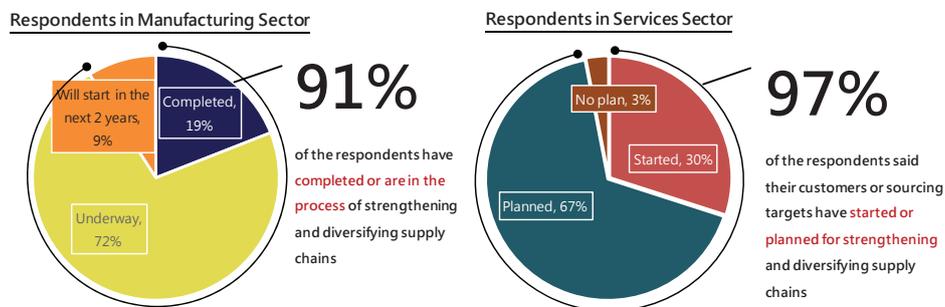
# Chapter 1: Supply Chain Strengthening and Diversification

## Building Supply Chain Resilience and Driving Diversification a General Consensus

Overall, more than 90% of the manufacturers surveyed for the study indicated they had implemented (or had underway) initiatives designed to strengthen, restructure and diversify their supply chains. More specifically, 19% of GBA-based manufacturers have fully implemented such plans, while 72% have the process underway. Of those yet to adopt or formulate such strategies, the plan is to do so within two years. Turning to the service sector, 97% of its existing customer base/suppliers indicated either their own supply chain restructuring process was underway or that plans to implement such a move were in hand.

### The Majority of GBA Manufacturing Enterprises Have Started Supply Chain Strengthening and Restructuring Progress of GBA Enterprises' Supply Chain Strengthening and Restructuring Plans

As a percentage of respondents, with 228 respondents in manufacturing sector and 372 in services sector



Source: HKTDC Survey

## GBA Supply Chains: High Levels of Innovation and Overseas Logistics Connectivity

The majority of respondents (60%) also considered GBA supply chains to be **highly innovative, while benefitting from a wealth of smart, digital solutions and advanced technology**. More than half of all respondents (52%) were also confident that there was an **ample supply of logistics services solutions available to serve overseas countries beyond the ASEAN bloc**.

### Innovation, Technology and Logistics Services for Countries Outside ASEAN Are the Major Strengths of GBA Supply Chains Advantages of GBA Supply Chains

As a percentage of respondents, with 600 respondents in 2024



Note: Due to rounding, the ranking of items with the same percentage may be different.

Source: HKTDC Survey

## Mainland is the Prime Option for Building Supply Chain Resilience, While ASEAN is the Number One Overseas Choice

Currently, relocating production capacity overseas is not necessarily the priority for many of the GBA businesses looking to bolster their supply chains. Indeed, many had opted to upgrade their mainland-located supply chains, enhance their risk management protocols and explore a wide range of options intended to deliver optimised, flexible and agile solutions. Overall, the wider mainland has proven to be the most utilised location for many GBA-based businesses looking to strengthen the resilience of their supply chains, whether with regard to sourcing, transportation or production. At the same time, many GBA enterprises are also investing in their overseas supply chains. In this regard, the ASEAN bloc is the most utilised location, while enhancing production is the most common priority. The majority of participating businesses also indicated that they planned to strengthen their other overseas supply chains, frequently in partnership with their existing suppliers/customers.

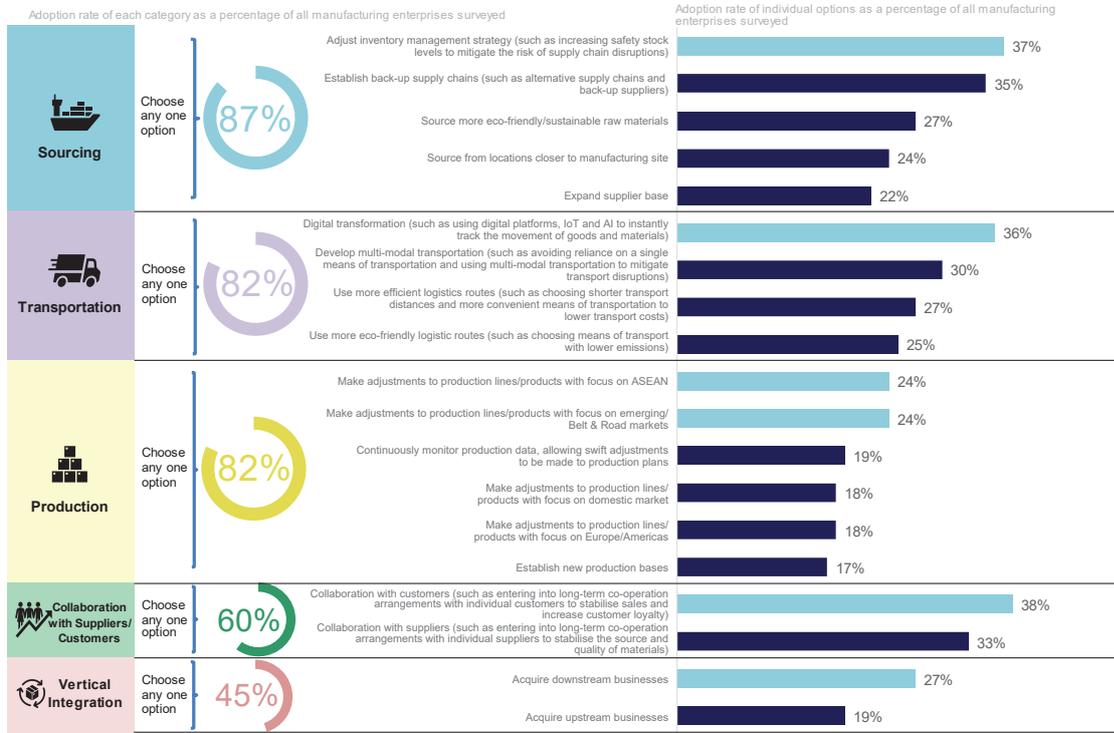
When it comes to strengthening/restructuring supply chains, enhanced **sourcing** (87%) is the priority for most businesses, followed by **transportation** (82%) and **production** (82%). In the case of sourcing, **inventory management** was the most commonly prioritised measure, with many businesses keen, for example, to increase safety stock levels in order to mitigate the risk of crisis-related supply chain disruptions. In the case of transportation, most enterprises had prioritised the implementation of a **digital transformation** process. Typically, this would include the utilisation of digital platforms, the Internet-of-Things (IoT) and artificial intelligence (AI) to track the movement of goods and materials in real time as a way of enhancing supply chain transparency, efficiency and effectiveness. In the case of production, meanwhile, the priority here appeared to be **making adjustments to production lines/products with a focus on the ASEAN** and **emerging/Belt and Road markets**.

Enterprises' locations and focus on strengthening and restructuring supply chains	Sourcing	Transportation	Production	Collaboration with suppliers / customers	Vertical integration (Acquiring upstream/downstream business)
All locations	87%	82%	82%	60%	45%
Mainland China					
Mainland China (outside the GBA)	53%	48%	48%	35%	36%
GBA	21%	39%	32%	26%	27%
Overseas markets					
ASEAN	26%	29%	43%	36%	31%
Japan	13%	16%	15%	26%	19%
South Korea	9%	17%	17%	23%	18%
Europe	11%	20%	15%	29%	15%
Australia & New Zealand	11%	17%	22%	21%	14%
Rest of Asia-Pacific	14%	18%	18%	20%	11%
The Americas	12%	20%	18%	24%	14%
Middle East & Africa	11%	16%	14%	25%	15%

Base: 228 respondents in manufacturing sector in 2024  
Source: HKTDC Survey

## Sourcing, Transportation and Production are the Focus of Supply Chain Resilience

### Main Measures for GBA Manufacturing Enterprises to Strengthen and Adjust their Supply Chain

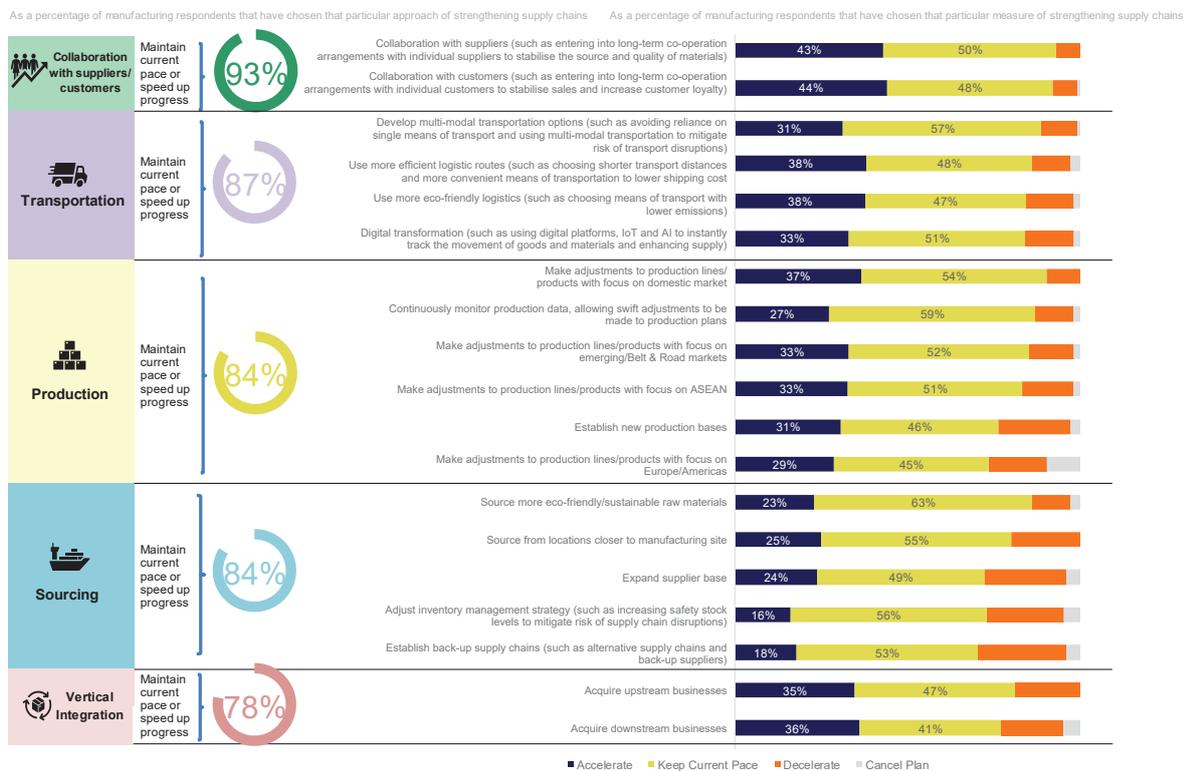


Note: Due to rounding, the ranking of items with the same percentage may be different.  
Source: HKTDC Survey

## Manufacturers Maintaining / Accelerating Supply Chain Enhancement

Looking ahead, more than 80% of participating manufacturers indicated they had plans in place to maintain or accelerate the current pace of their supply chain enhancement programmes. In addition, 93% said they would maintain or accelerate their **collaboration with suppliers** across a number of areas, including building long-term partnerships with individual suppliers and stabilising the source/quality of materials. As to the intent with regard to **transportation, production and sourcing**, more than 80% of respondents planned to maintain/accelerate the pace of their supply chain enhancement initiatives.

### Over 80% of Manufacturing Enterprises Will Maintain or Quicken the Pace of Strengthening and Diversifying Supply Chains GBA Manufacturing Enterprises' Pace of Advancing Plans in the Next Two Years



Note: Percentages may not total 100 due to rounding.

Source: HKTC Survey

## Manufacturers: More than 50% Require Technical and Legal / Regulatory Solutions

When it comes to supply chain restructuring, GBA enterprises consider themselves in need of support across multiple fronts. In the case of manufacturers, their priority tends to be **technical solutions**, with 54% of surveyed enterprises saying they require such items as supply chain management software and data analysis tools. Second and third on their lists were **practical tips on legal/regulatory issues with regard to standards and requirements in different countries and regions** (51%) and **supply chain risk assessment and contingency planning services** (46%).

### Manufacturers: More than 50% Require Technical and Legal/Regulatory Solutions

#### Support Needed by GBA Manufacturing Enterprises in Strengthening and Restructuring Supply Chains

As a percentage of respondents, with 228 respondents in manufacturing



Note: Due to rounding, the ranking of items with the same percentage may be different.

Source: HKTDC survey

The background of the entire page is a close-up photograph of two hands shaking in a firm grip. The hands are positioned in the lower half of the frame. The hand on the left is wearing a dark suit jacket and a light-colored shirt cuff. The hand on the right is wearing a dark suit jacket and a white shirt cuff. In the background, the ASEAN flag is visible, featuring a red field with a white circle in the center containing a yellow sunburst. The flag is slightly out of focus, creating a sense of depth. The overall composition is professional and conveys a message of agreement and partnership.

## **Chapter 2: Abounding ASEAN Market Opportunities**

## Chapter 2: Abounding ASEAN Market Opportunities

### GBA Enterprises Prioritise Singapore, Malaysia and Indonesia for ASEAN Expansion

Over the past few years, many GBA enterprises have established operations in the ASEAN bloc and, as indicated by the survey findings, remain keen on investing in their target markets. In fact, nearly 60% of the enterprises surveyed said they planned to launch into the ASEAN markets (or expand their existing business in the bloc) over the next three years.

Overall, Singapore, Malaysia and Indonesia are the most popular business locations for GBA enterprises already active in the region. This year, Singapore reclaimed the top spot as the prime location for GBA companies venturing into ASEAN, while Indonesia rose from sixth place last year to third place this year. Looking ahead to the next three years, development plans tend to be in line with the current geographical distribution of companies' existing ASEAN business, with Singapore, Malaysia and Indonesia remaining the most favoured destinations. The trends among enterprises across different industries do not show a great deal of variance, with Singapore and Malaysia consistently preferred regardless of industry. The survey also indicates there is now, more or less, equal interest in six of the other ASEAN countries – Thailand, Vietnam, the Philippines, Cambodia, Laos and Brunei.

	Current ranking of market penetration in ASEAN			Rankings for ASEAN market expansion in the next three years		
	2024	2023	2021	2024	2023	2021
<b>Singapore</b>	1	2	1	1	2	1
<b>Malaysia</b>	2	1	3	2	1	3
<b>Indonesia</b>	3	6	5	3	5	5
<b>Thailand</b>	4	3	4	4	3	4
<b>Vietnam</b>	4	4	2	4	4	2
<b>The Philippines</b>	4	5	6	4	6	6
<b>Cambodia</b>	4	7	7	4	7	7
<b>Laos</b>	4	8	9	4	8	9
<b>Brunei</b>	4	10	10	4	10	10
<b>Myanmar</b>	10	8	8	10	9	8

Base: 600 respondents in 2024, 671 respondents in 2023, 657 respondents in 2021.  
Source: HKTDC Survey

## Production, Sourcing and Sales Remain Priorities for ASEAN Operations of GBA Enterprises in the Next Three Years

In general, surveyed enterprises had a high level of confidence in the various business functions offered throughout the ASEAN bloc. In addition, nearly 84% of the firms surveyed said they had plans to maintain/expand their production or sourcing operations in the ASEAN region in the next three years as a means of strengthening the resilience of their supply chains, an increase of more than 50 percentage points (from 31%) in 2023. Moreover, 73% of the surveyed enterprises indicated their intention to maintain their existing sales operations within the bloc (or establish such operations), a clear demonstration that they remain optimistic about ASEAN's huge market potential. This figure did, however, represent a decrease of 12 percentage points on the 85% recorded for 2023. In another development, almost 70% of surveyed enterprises said they would seek business financing in ASEAN, while more than half said they would continue operating in the ASEAN region or set up new regional offices within the region to enhance their presence in the bloc. More than half of all participants also indicated their willingness to invest in research and development (R&D) as a precursor to developing merchandise optimised for local preferences.

<b>Business footprint in the next three years</b>	<b>Total</b>	<b>Currently engaging in trading, investment or operation in ASEAN</b>	<b>Currently not operating in ASEAN but planning to engage in trading, investment or operation there in the next three years</b>
<b>As production/sourcing base</b>	84%	84%	84%
<b>As sales market</b>	73%	74%	71%
<b>As financing hub</b>	69%	70%	67%
<b>As regional office</b>	56%	58%	54%
<b>As R&amp;D centre</b>	56%	56%	54%

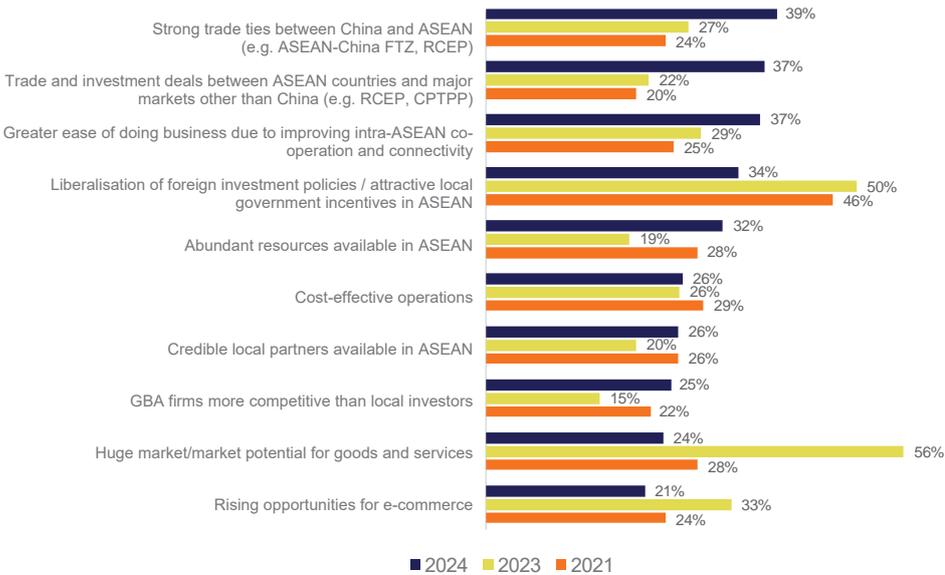
Base: 600 respondents in 2024.  
Source: HKTDC Survey

## Businesses Prioritising Partnerships

The 2024 survey, however, showed marked changes to the primary incentives for enterprises to trade or invest in the ASEAN markets compared to previous years. This saw **strong trade ties between China and ASEAN** (39%) emerge as the most decisive factor, followed by **trade and investment deals between ASEAN countries and major markets other than China** (37%) and **improving intra-ASEAN cooperation** (37%). The survey results also reflected that, as the global market landscape has become increasingly complicated, businesses are now attaching greater importance to high-quality partnerships and the synergies brought about via regional economic agreements and development initiatives, such as the *RCEP* and the *BRI*. The results also show that ASEAN offers relatively equal incentives across a variety of industries, while enterprises in the five targeted mainland GBA cities broadly share the views of their Hong Kong counterparts.

### ASEAN's Good Relations with Mainland China, Other Major Markets and Within the ASEAN Region are Attractive to Enterprises ASEAN's Top Three Attractive Aspects as a Trading Partner or Investment Destination

As a percentage of respondents, with 600 respondents in 2024, 671 in 2023 and 657 in 2021



Note: Each percentage figure is the combined percentage of respondents choosing the particular aspect as the most important, second-most important and third-most important factor. Due to rounding, the rankings of items with the same percentage may be different.  
Source: HKTDC Survey

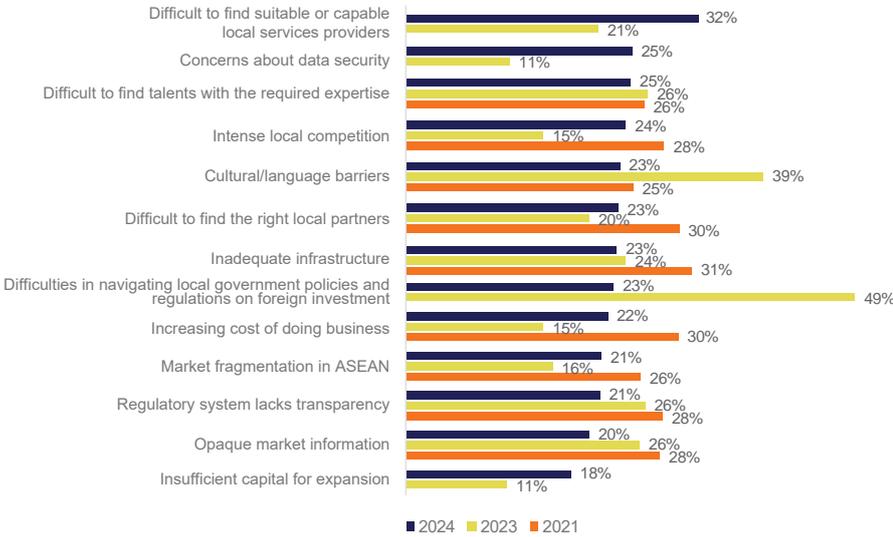
## Finding Suitable Local Service Providers is the Primary Challenge

As the ASEAN bloc has become a key trading and investment focus for many multinationals, GBA enterprises have come to consider the **difficulty in finding suitable or capable local service providers** (32%) as their greatest challenge. They also have concerns over **data security** (25%) and the **difficulty in finding talents with the required expertise** (25%). With regard to the primary challenges highlighted in the 2023 survey – essentially, difficulties in navigating local government policies and regulations relating to foreign investment, and cultural/language barriers – the situation seems to be improving gradually. For the consumer goods industry, however, cultural/language barriers remain major issues while, for the industrial goods industry, local competition is also a big concern. Enterprises engaged in business, professional and financial services, meanwhile, are more concerned with regulatory regimes. In the case of businesses in the real estate, hospitality or construction industries, as well as those engaged in technology, media or telecommunications activity, navigating local government policies and regulations relating to foreign investment remains the most pressing issue.

Enterprises in Hong Kong, as well as those in the five targeted mainland GBA cities, found it most difficult to identify suitable local service providers. While Hong Kong companies’ other concerns primarily related to data security and market fragmentation within the ASEAN bloc, their mainland counterparts considered cultural/language barriers and the difficulty in finding suitable talents to be greater challenges.

### Main Challenges Include Finding Suitable Local Services Providers, Data Security Issues and Talent Scouting Top Three Difficulties and Challenges for GBA Enterprises Doing Business in ASEAN

As a percentage of respondents, with 600 respondents in 2024, 671 in 2023 and 657 in 2021



Note: Each percentage figure is the combined percentage of respondents choosing the particular aspect as the most challenging, second-most challenging and third-most challenging factor. Due to rounding, the rankings of items with the same percentage may be different.  
Source: HKTDC Survey

# Increased Recognition of Hong Kong as the GBA-ASEAN Super-Connector

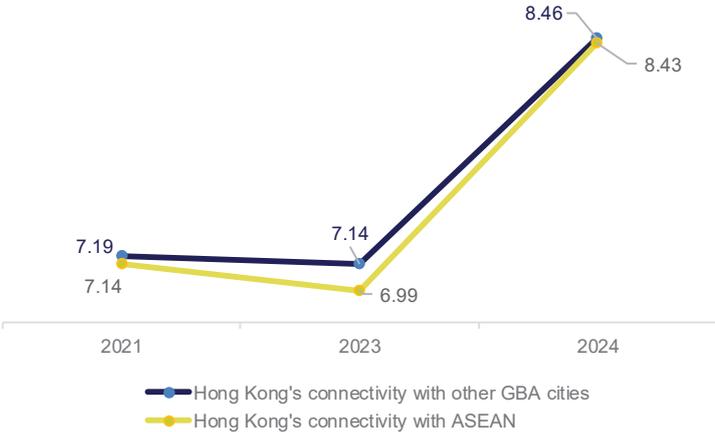
As part of the 2024 survey (and its two predecessors), respondents were asked to rate Hong Kong's connectivity with (1) other GBA cities and (2) the ASEAN countries. This rating was on a scale of 1 to 10, with "1" representing very weak connectivity and "10" representing very strong connectivity. Assessments were based on three criteria: business environment; financial infrastructure; and cross-border flow of resources.

In general, the 2024 ratings given by GBA enterprises were considerably higher than in the two prior surveys. This can be taken as indicating that enterprises more fully acknowledge Hong Kong's role as a key regional platform and a "super-connector".

The score GBA enterprises accorded "Hong Kong's connectivity with other GBA cities" increased sharply, with the overall connectivity score recorded as 8.46, a significant increase on the 2023 score of 7.14. As in the last survey, enterprises in the five mainland GBA cities were more satisfied than Hong Kong enterprises with "Hong Kong's connectivity with other GBA cities", according it a score of 8.55, somewhat higher than the score of 8.13 recorded for Hong Kong enterprises.

Similarly, the score GBA enterprises accorded "Hong Kong's connectivity with ASEAN countries" also increased appreciably, with the overall connectivity score of 8.43 markedly higher than the corresponding 2023 figure of 6.99. The score (8.54) accorded by enterprises in the five mainland GBA cities was also higher than that (8.01) recorded for Hong Kong enterprises.

**Hong Kong's Connectivity with Other GBA Cities and ASEAN Countries**  
As a percentage of respondents, with 600 respondents in 2024, 671 in 2023 and 657 in 2021



Note: Respondents were asked to rate each aspect on a scale of 1-10, with "1" representing very weak, and "10" representing very strong.  
Source: HKTDC Survey

Hong Kong's connectivity with other GBA cities	By business location		
	Overall	Hong Kong	Mainland GBA cities*
<b>Overall</b>	8.46	8.13	8.55
Business environment	8.45	8.09	8.55
Financial infrastructure	8.45	8.08	8.55
Cross-border flow of resources	8.50	8.24	8.57

Note: Respondents were asked to rate each aspect on a scale of 1-10, with "1" representing very weak, and "10" representing very strong.  
 \* Respondents from five mainland cities in the GBA (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan)  
 Base: 600 respondents in 2024, 130 respondents from Hong Kong, 470 respondents from mainland GBA cities.  
 Source: HKTDC Survey

Hong Kong's connectivity with ASEAN	By business location		
	Overall	Hong Kong	Mainland GBA cities*
<b>Overall</b>	8.43	8.01	8.54
Business environment	8.43	8.02	8.55
Financial infrastructure	8.41	7.95	8.54
Cross-border flow of resources	8.44	8.07	8.55

Note: Respondents were asked to rate each aspect on a scale of 1-10, with "1" representing very weak, and "10" representing very strong.  
 \* Respondents from five mainland cities in the GBA (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan)  
 Base: 600 respondents in 2024, 130 respondents from Hong Kong, 470 respondents from mainland GBA cities.  
 Source: HKTDC Survey

**Chapter 3:  
Sustainable Development Remains  
a GBA Business Priority**

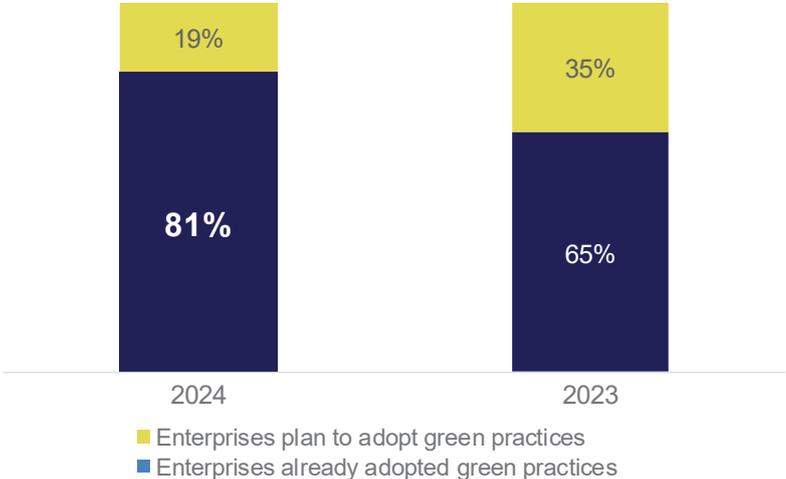


# Chapter 3: Sustainable Development Remains a GBA Business Priority

## GBA Enterprises Increasingly Proactive on Sustainable Practices Front

The survey results show that enterprises have become more proactive in terms of implementing green practices, with 81% of participating enterprises saying they have already adopted such protocols. This is an increase of 16 percentage points from the 65% reported in the 2023 survey. In addition, a further 19% of enterprises intend to introduce such practices.

**More GBA Enterprises have Adopted Green Practices**  
**GBA Enterprises' Adoption of Green and Sustainable Business Practices**  
As a percentage of respondents, with 600 respondents in 2024 and 300 in 2023



Note: Percentages may not add up to 100 due to rounding.  
For the 2024 survey, the 600 respondents were drawn from Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan). The 300 respondents in 2023 came from Hong Kong, Macao and nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing).  
Source: HKTDC Survey

The overall adoption ratios in 2024 were significantly higher than in 2023, with the full range of available actions in the survey adopted by more than 30% of enterprises in 2024, while no single action was adopted by more than 30% of enterprises in 2023. These results show that more and more GBA enterprises are adopting green and sustainable business practices, a trend that is consistent with China's acceleration of its economic and social development in line with its comprehensive green transformation objectives.

The 2024 survey showed that the three actions with the highest adoption rates were notably different from those in the previous survey:

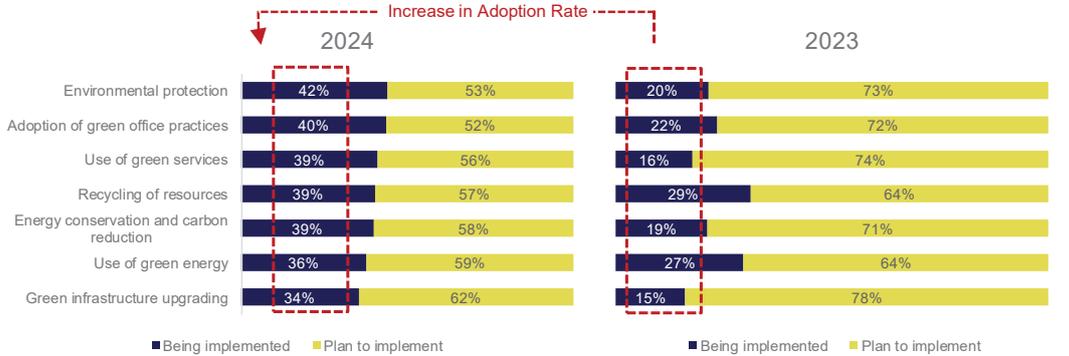
1. **Environmental protection** (42%), including the use of eco-friendly equipment/raw materials to reduce air/water/soil pollution.
2. **Adoption of green office practices** (40%), including the use of efficient energy-saving office equipment and the adoption of paperless office/online systems.
3. **Use of green services** (39%), including green certification/monitoring and testing/assessment reviews, the adoption of green financing products, etc.

In the 2023 survey, the actions with the highest adoption rates were: recycling of resources (29%), use of green energy (27%) and green office practices (22%).

Though many enterprises have accelerated their adoption of green practices, there is still room for improvement overall. This can be seen from the results that show that, in the case of all green practices, more than half of the surveyed enterprises were still at the planning stage. Specifically, the pace of green energy adoption and the implementation of green infrastructure upgrading had slowed and tended to be still at the planning stage. The proportion planning to adopt these two practices was 59% and 62%, respectively.

**The Adoption Rates of Various Green Practices have Increased Significantly**  
**GBA Enterprises' Adoption of Green and Sustainable Business Practices**

As a percentage of respondents, with 600 respondents in 2024 and 300 in 2023

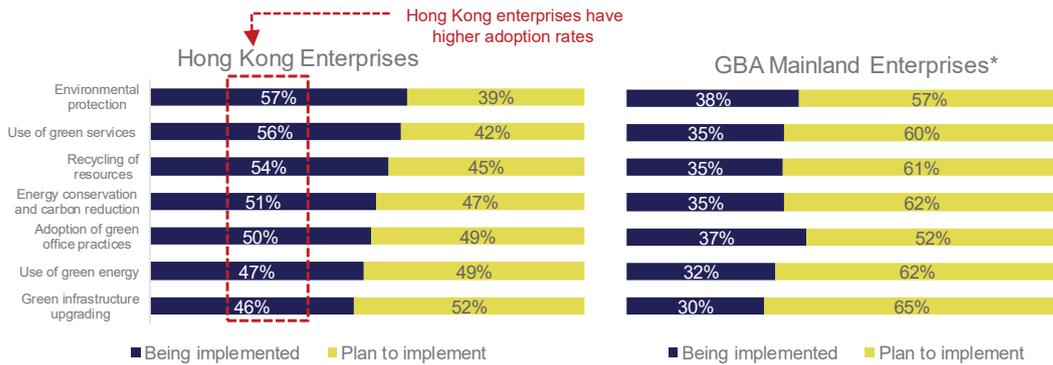


Note: In the chart above, since the percentage of respondents not adopting a particular practice is not shown, the percentages may not total 100. Due to rounding, the rankings of practices with the same percentage may be different. For the 2024 survey, the 600 respondents were drawn from Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan). The 300 respondents in 2023 came from Hong Kong, Macao and nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing). Source: HKTDC Survey

Similar to the 2023 survey, the pace of adopting green practices by Hong Kong enterprises was typically quicker than that of enterprises in any of the five surveyed mainland GBA cities. Similarly, more Hong Kong enterprises were implementing plans relating to the full range of practices in the survey, with adoption rates ranging from 46% to 57%. For mainland enterprises, the adoption rates were in the 30% to 38% range. Compared with Hong Kong-based businesses, for example, the adoption of green office practices is a higher priority for mainland GBA enterprises.

**Hong Kong Enterprises' Adoption Rates of Various Practices are Higher than those of Mainland Enterprises**  
**GBA Enterprises' Adoption of Green and Sustainable Business Practices**

As a percentage of respondents, with 130 respondents from Hong Kong and 470 respondents from mainland GBA cities



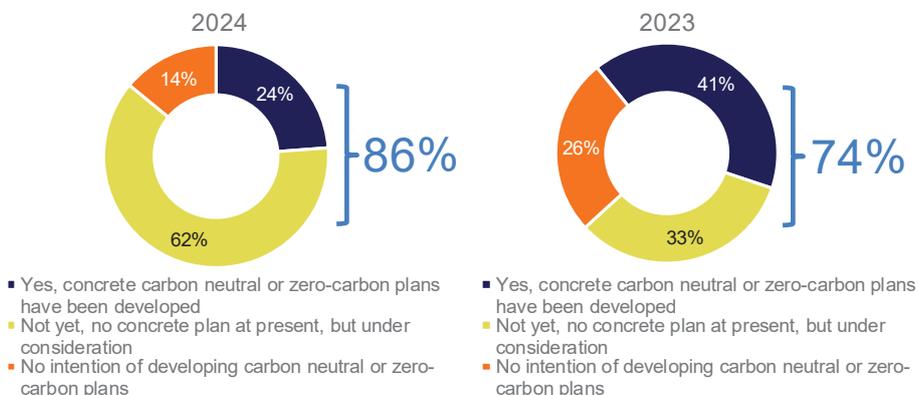
\* Respondents from five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan).  
 Source: HKTDC Survey

## GBA Enterprises Committed to Achieving Carbon Neutrality / Zero-Carbon Goals

This survey also focused on concrete zero-carbon plans at a company level. Of the GBA-based enterprises, 86% said they had developed (or planned to develop) carbon neutrality plans, a significant increase on the 74% reported in the 2023 survey. Nevertheless, more enterprises said they were still at the stage of considering or attempting to develop related plans.

**More GBA Companies Have/Plan to Have Carbon Neutral Plans, Albeit More are at Planning Stage**  
**Have GBA Companies Developed Concrete Plans to Achieve Carbon Neutrality and Zero-Carbon Plans?**

As a percentage of respondents, with 600 respondents in 2024 and 300 in 2023

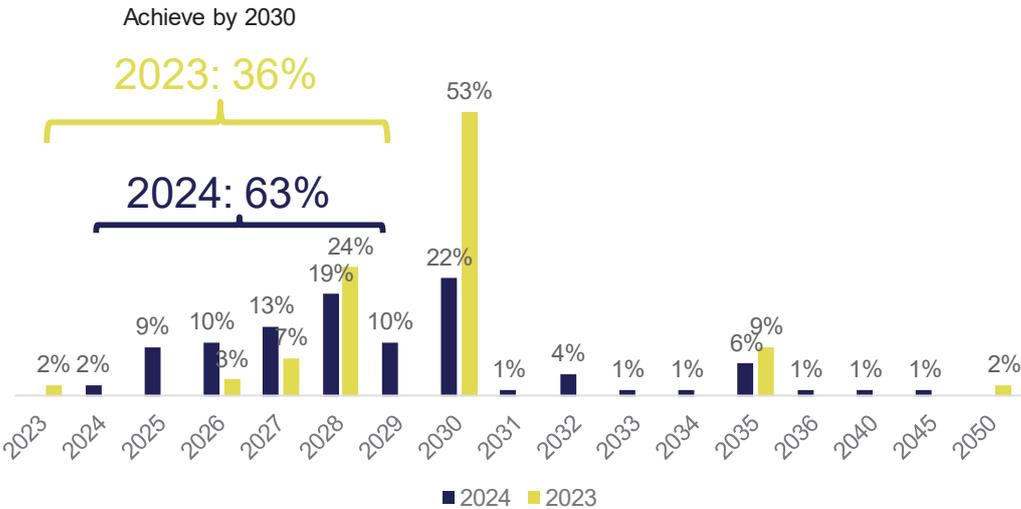


Note: Percentages may not total 100 due to rounding.  
 For the 2024 survey, the 600 respondents were drawn from Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan). The 300 respondents in 2023 came from Hong Kong, Macao and nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing).  
 Source: HKTDC Survey

In both surveys, of those enterprises indicating they had developed plans, a similar proportion aimed to have achieved carbon neutrality (or zero-carbon) by 2030. Some 85% aimed to achieve carbon neutrality in 2030 or earlier, 4 percentage points lower than the figure of 89% recorded for the 2023 survey. By contrast, in the most recent survey, 63% said their aims were achievable before 2030, a far higher figure than the 36% recorded for 2023, a clear indication that GBA enterprises are accelerating their progress with regard to their sustainable development goals.

**Specific Year for GBA Enterprises to Achieve Carbon Neutrality or Zero-Carbon Plans**

As a percentage of respondents, with 143 respondents in 2024 and 124 in 2023

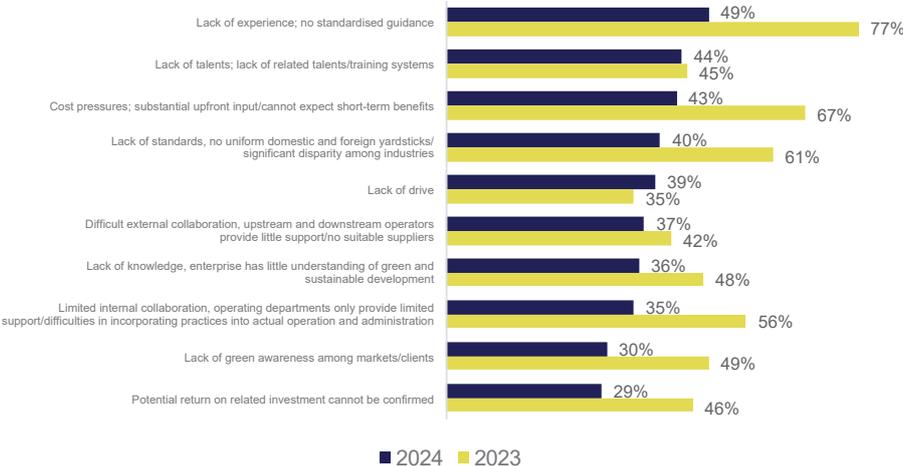


Note: For the 2024 survey, the 143 respondents were drawn from Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan). The 124 respondents in 2023 came from Hong Kong, Macao and nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing).  
Source: HKTDC Survey

# Challenges Easing for Enterprises Implementing Green and Sustainable Practices

The survey results also show that there have been changes to the main challenges facing enterprises as they look to adopt green and sustainable practices. The top three obstacles this year were **lack of experience** (49%), **lack of talents** (44%) and **cost pressures** (43%). Compared with the 2023 survey, however, the current situation has generally improved. In the most recent survey, the selection rates for most options were lower than in 2023, possibly because GBA cities are now more committed to driving green development. As a sign of this, in February 2024, the Guangdong provincial government issued its plan for cultivating and developing green and low-carbon industrial clusters. Thanks to such government initiatives, it can be seen that enterprises are getting more support to overcome the obstacles they encounter.

**Lack of Experience, Lack of Talents and Cost Pressures are the Top 3 Challenges**  
**Factors Hindering the Adoption of Green and Sustainable Business Practices by GBA Enterprises**  
 As a percentage of respondents, with 600 respondents in 2024 and 300 in 2023



Note: For the 2024 survey, the 600 respondents were drawn from Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan). The 300 respondents in 2023 came from Hong Kong, Macao and nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing).

Across various industries, the challenges facing manufacturing and service enterprises appeared to be more or less the same. In the case of location, however, the differences among surveyed enterprises were more appreciable. The five mainland GBA cities, for instance, appeared to have greater difficulty when it came to finding talents and dealing with multiple standards. On the other hand – possibly because the city is an international business hub – Hong Kong-based businesses tend to have a strong global perspective, rich resources for related training and capacity-building capabilities, while many green technology enterprises and talents are located there and a wide variety of industry-specific guides to green and sustainable practices are also available.

Factors hindering enterprises in adopting green and sustainable business practices	By sector		By business location	
	Manufacturing sector	Service sector	Hong Kong	Mainland GBA Cities
Cost pressures; substantial upfront input/ uncertain short-term benefits	1	4	2	3
Lack of experience; no standardised guidance	2	1	1	1
Lack of talents; lack of related talents/ training systems	2	2	9	2
Lack of standards, no uniform domestic and foreign yardsticks/ significant disparity among industries	4	6	10	3
Lack of drive	7	3	7	5
Difficult external collaboration, upstream and downstream operators provide little support/ no suitable suppliers	6	7	3	6
Lack of knowledge, enterprise has little understanding of green and sustainable development	5	8	4	7
Limited internal collaboration, operating departments only provide limited support/ difficulties in incorporating practices into actual operation and administration	10	5	4	8
Lack of green awareness among markets/ clients	8	10	8	9
Potential return on related investment cannot be confirmed	9	9	4	10

Base: 228 manufacturing respondents in 2024, 372 respondents from service sector, 130 respondents from Hong Kong, 470 respondents from mainland GBA cities .

\* Respondents from five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan)

Source: HKTDC Survey

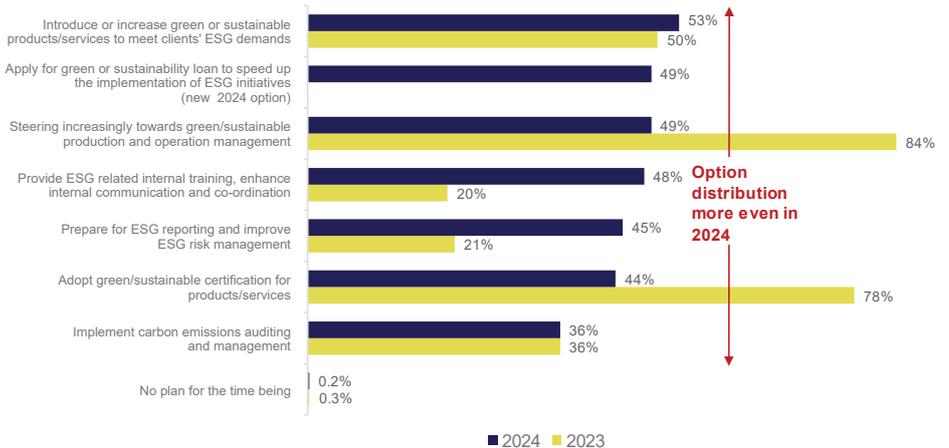
## 99.8% of GBA Enterprises Planning to Incorporate ESG into Business Operations

With ESG widely established as a key corporate development strategy, some 99.8% of the surveyed GBA enterprises indicated an intent to incorporate such elements into their operations over the next two years, a similar figure to the 99.7% recorded for 2023. In something of a change, however, many enterprises are now considering incorporating ESG elements into a wider range of operations instead of focusing solely on production/operation processes and product/service certifications.

In the 2024 survey, most enterprises said they would **introduce or increase green or sustainable products/services to meet clients' ESG demands** (53%). Joint second to this was the new option of **applying for green or sustainability loans to speed up the implementation of ESG initiatives** (49%) and **steering increasingly towards green/sustainable production and operation management** (49%).

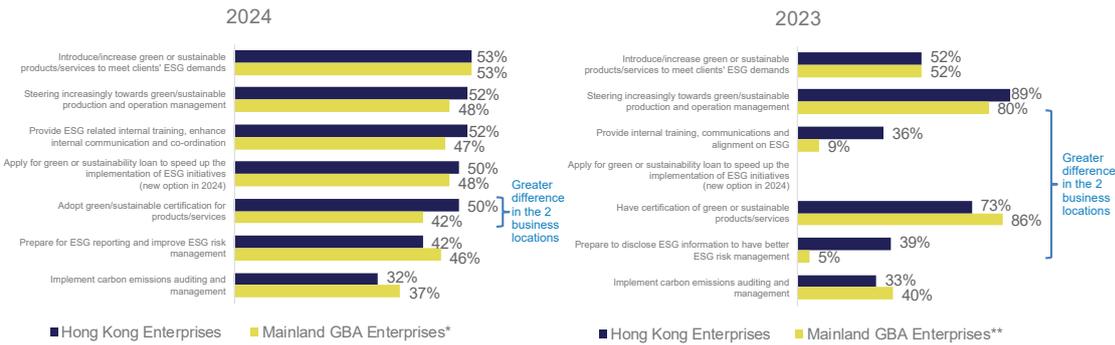
Across many of the options, Hong Kong enterprises did not differ hugely in their responses from enterprises in the five mainland GBA cities. One exception, though, was green certification, where the proportion of Hong Kong enterprises responding positively was notably higher than that of their mainland counterparts. In the 2023 survey, significantly more Hong Kong enterprises than mainland ones said they would introduce such elements as green production, ESG reporting and ESG training, while more mainland enterprises intended to adopt green certification.

**99.8% of GBA Enterprises Will Extensively Incorporate ESG Elements into Business Operations**  
**GBA Enterprises' Action Plans of Adding ESG Elements into Business Operations in the Next Two Years**  
 As a percentage of respondents, with 600 respondents in 2024 and 300 in 2023



Note: Due to rounding, the rankings of options with the same percentage may be different. For the 2024 survey, the 600 respondents were drawn from Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan). The 300 respondents in 2023 came from Hong Kong, Macao and nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing). Source: HKTDC Survey

**Similar Stance for Enterprises in the Two Business Locations**  
**GBA Enterprises' Action Plans of Adding ESG Elements into Business Operations in the Next Two Years**  
 As a percentage of respondents, with 600 respondents in 2024 and 300 in 2023

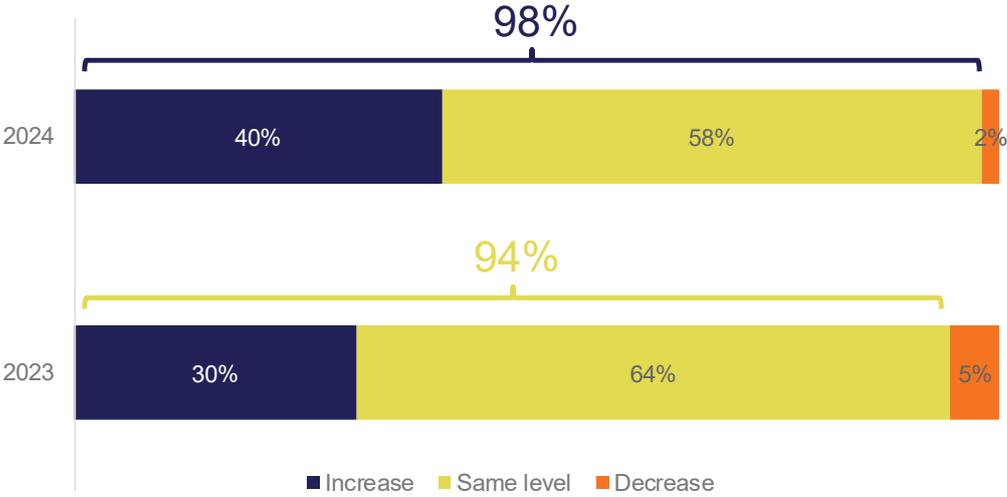


Note: Due to rounding, the rankings of options with the same percentage may be different. For the 2024 survey, the 600 respondents were drawn from Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan). The 300 respondents in 2023 came from Hong Kong, Macao and nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing). \* Respondents from five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan) \*\* Respondents from nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing) Source: HKTDC Survey

## More Enterprises Increasing ESG Investment

Overall, 98% of the surveyed GBA-based businesses planned to increase or maintain their level of ESG investment in the next two years, a 4 percentage point increase from 2023 (94%). Of these, 40% said they planned to increase funding for ESG elements, a higher figure than the 30% recorded for the 2023 survey.

**More GBA Enterprises Will Increase ESG Investment in the Next Two Years**  
**Changes in GBA Enterprises' ESG Investment in the Next Two Years**  
 As a percentage of respondents, with 599 respondents in 2024 and 299 in 2023



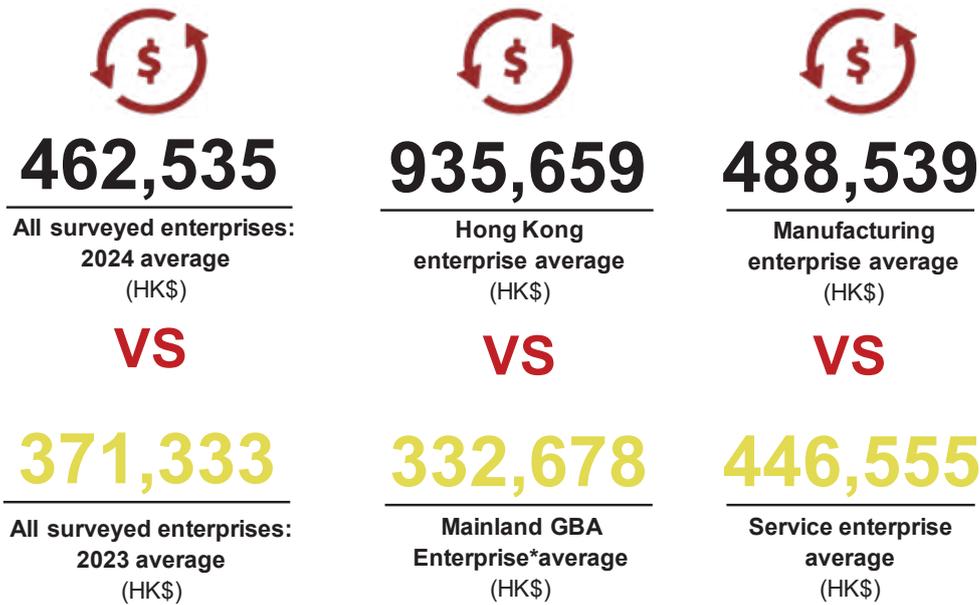
Note: Percentages may not total 100 due to rounding.  
 For the 2024 survey, the 599 respondents were drawn from Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan). The 299 respondents in 2023 came from Hong Kong, Macao and nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing).  
 Source: HKTDC Survey

In terms of budgeting, the average amount of investment in ESG by GBA enterprises in the next two years is expected to be about HK\$462,535, a rise of almost 25% on the figure of HK\$371,333 recorded in 2023. Comparing enterprises from the two places, Hong Kong enterprises are willing to invest an average of HK\$935,659, much higher than enterprises in the five mainland GBA cities. Mainland enterprises are willing to invest an average of HK\$332,678, similar to the amount recorded for the 2023 survey. It was also notable that manufacturing industries are investing more than service industries, averaging out at HK\$488,539 and HK\$446,555, respectively.

**GBA Enterprises to Increase ESG Investment Substantially in the Next Two Years**

**Changes in GBA Enterprises' ESG Investment in the Next Two Years**

As a percentage of respondents, with 599 respondents in 2024 and 299 in 2023. Exchange rate calculated at HK\$1 to RMB0.92



Note: For the 2024 survey, the 599 respondents were drawn from Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan). The 299 respondents in 2023 came from Hong Kong, Macao and nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing). In 2024, 228 respondents were from the manufacturing sector, 371 were from the service sector, 129 were Hong Kong enterprises and 470 were mainland GBA enterprises.

\* Respondents from five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan)

Source: HKTDC Survey

## GBA Enterprises Set High Value on Hong Kong's Green Services

As part of the survey, enterprises were asked to rate their willingness to learn more about and use the green and sustainability services of Hong Kong on a 10-point scale. The overall average score in 2024 remained high at 8.67, a similar value to that recorded for 2023, indicating that GBA enterprises remain willing to learn more about and utilise Hong Kong's sustainability services. Overall, geographically, the willingness of enterprises from the five mainland GBA enterprises was higher, while, by sector, the willingness of the manufacturing and service sectors, with scores of 8.62 and 8.70, respectively, showed little variance. At a time when the GBA is committed to establishing a green, low-carbon and circular economic system, Hong Kong continues to serve as the preeminent green platform for the region, providing enterprises with essential services and assisting them with their green transformation programmes.

	<u>By business location</u>			<u>By sector</u>	
	Overall	Hong Kong	Mainland GBA cities	Manufacturing sector	Service sector
<b>Average willingness (2024)</b>	<b>8.67</b>	<b>8.56</b>	<b>8.70*</b>	<b>8.62</b>	<b>8.70</b>
<b>Average willingness (2023)</b>	<b>8.90</b>	<b>9.26</b>	<b>8.71**</b>	<b>8.93</b>	<b>8.88</b>

Note: For the 2024 survey, the 600 respondents were drawn from Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan). The 300 respondents in 2023 came from Hong Kong, Macao and nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing). In 2024, 228 respondents were from the manufacturing sector, 372 were from the service sector, 130 were Hong Kong enterprises and 470 were mainland GBA enterprises.

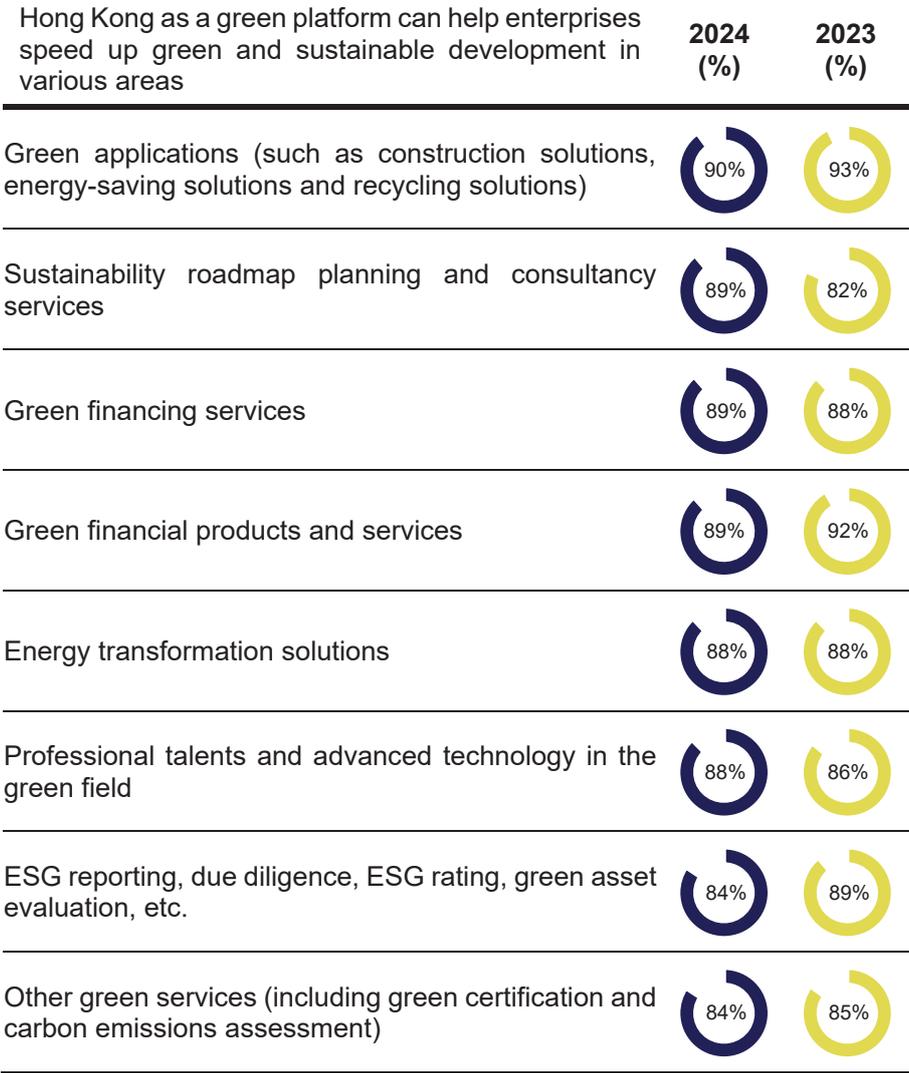
2024: \* Respondents from five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan).

2023: \*\* Respondents from nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing)

Source: HKTDC Survey

## About 90% of GBA Enterprises See Hong Kong as a Catalyst for Accelerating Sustainability

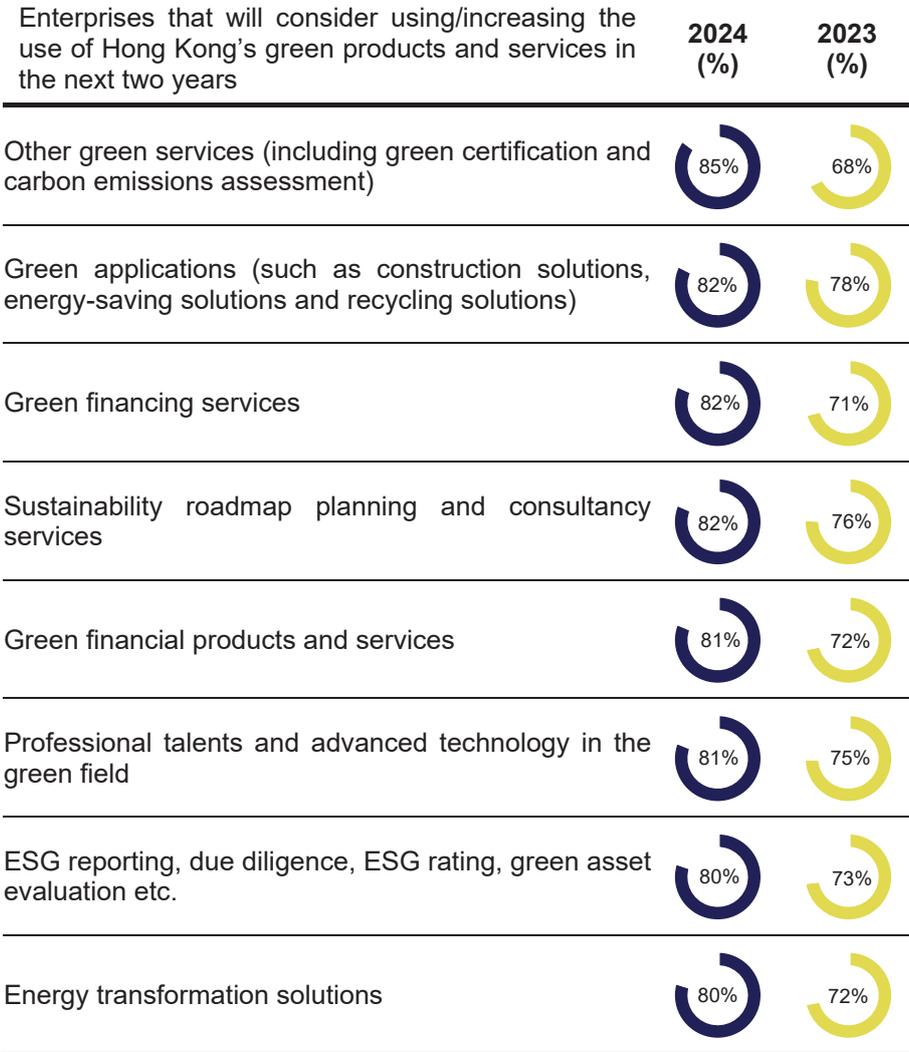
As a key sustainability platform, Hong Kong offers a wide range of diversified green services, a resource that about 90% of surveyed GBA enterprises believe can help accelerate their related developments, a similar proportion to that recorded for the previous survey. In particular, such Hong Kong-sourced services as **green applications** (90%), **sustainability roadmap planning and consultancy services** (89%), **green financing services** (89%), **green financial products and services** (89%), **energy transformation solutions** (88%) and **professional talents and advanced technology in the green field** (88%) continued to be highly appreciated by GBA enterprises.



Note: The 4 options available in this question are “extremely helpful”, “helpful”, “not very helpful” and “not sure” respectively. The percentages in the diagram are the combined percentages of “extremely helpful” and “helpful”.  
 Due to rounding, the rankings of options with the same percentage may be different.  
 For the 2024 survey, the 600 respondents were drawn from Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan). The 300 respondents in 2023 came from Hong Kong, Macao and nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing).  
 Source: HKTDC Survey

## More than 80% of GBA Enterprises Expect to Increase Use of Hong Kong’s Green Resources

Of the surveyed enterprises in 2024 that believe Hong Kong can effectively speed up GBA enterprises’ green and sustainable development, more than 80% said they would consider using or increasing their use of Hong Kong’s green products and services, a significantly higher figure than about 70% recorded for the 2023 survey. Of the various services on offer, the increase in demand for **other green services (including green certification and carbon emissions assessment)** was especially notable, with 85% of enterprises indicating they would consider using or increasing their use of these services in the next two years. As part of the survey, many enterprises also indicated that they intend to achieve carbon neutrality by 2030, which possibly explains why more enterprises are using such green services as carbon emissions assessment. Overall, the proportion of enterprises saying they “definitely will” or “will” use a variety of services reached (or exceeded) 80%. From the above two findings, it is evident that Hong Kong’s green products and services, as well as Hong Kong’s role as a green platform, are receiving a high level of recognition from GBA enterprises.



Note: The 5 options available in this question are “definitely will”, “will”, “neutral”, “not sure” and “will not consider” respectively. The percentages in the diagram are the combined percentages of “definitely will” and “will”.

Due to rounding, the rankings of options with the same percentage may be different.

The base is those GBA enterprises that recognise Hong Kong can help speed up their green and sustainable development. These enterprises came from the 600 respondents in 2024 from Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan), and the 300 respondents in 2023 from Hong Kong, Macao and nine mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing).

Source: HKTDC Survey

# Conclusion

The consensus from the businesses participating in the 2024 survey is that driving supply chain diversification, expanding into new territories (especially the much-coveted ASEAN markets), as well as adopting green and sustainable practices, are now the generally accepted priorities. It was also evident that the pandemic had exposed the need to diversify corporate supply chains, while geopolitical risks have led many enterprises to realise the need to strengthen, restructure or diversify their existing supply chains, with businesses in the Greater Bay Area (GBA) proving no exception.

For GBA enterprises, the key strategic business focus was to improve the resilience of their domestic and overseas supply chains, with the ASEAN bloc considered the most important overseas location for any such move. As a result, over the next few years, GBA enterprises are expected to sharply increase their production/sourcing activities within the ASEAN bloc, a development that will require the support of a variety of professional service industries. It was also notable that many GBA enterprises have a high regard for Hong Kong, seeing it as the region's foremost services platform, while being confident that the city can provide the full range of professional services required to strengthen domestic and overseas supply chains.

At the same time, growing ASEAN-China collaboration, improved ASEAN-China economic ties, and mainland enterprises' continuous expansion within the bloc are expected to result in substantial business opportunities for Hong Kong. It was also clear that many GBA enterprises remain keen on expanding into the ASEAN market, and have a high regard for the efficacy of Hong Kong's GBA-ASEAN super-connector role and the part it can play in helping them deliver on their development goals.

With regard to sustainable development – a growing priority as global climate issues have become ever more pressing – countries around the world have accelerated their formulation of remedial environmental policies. In the case of China, it has set out to fulfil the commitments it made as part of the *Paris Agreement* by setting “dual carbon” goals relating to carbon peaking and carbon neutrality. In line with central government policies, the GBA cities are prioritising their development of a green, low-carbon and circular economic system. Against this backdrop, all GBA enterprises will have to comply with the relevant environmental laws and regulations in order to mitigate any legal or financial risks. Many are also actively responding to the environmental concerns of consumers by implementing green and environmentally friendly initiatives. At the same time, they are striving to optimise their ESG adoption process, both as a means of attracting investors and as a way of securing the required financial resources for the sustainable development of their businesses.

In an encouraging sign, the results of the 2024 survey showed that more than 80% of GBA enterprises have already begun implementing green and sustainable practices – a far higher figure than the 65% recorded in the 2023 survey. In addition, many more GBA enterprises have made stronger commitments to financing the incorporation of ESG into various aspects of their business operations over the medium-term. Thanks, in part, to this overall higher level of adoption, it has become less of a challenge for GBA enterprises to implement green and sustainable initiatives. A lack of experience, a shortfall in the number of available talents and cost pressure, however, remain key challenges to the implementation of many such strategies. It was also notable that many GBA enterprises are more than aware of Hong Kong's unique advantages when it comes to facilitating their green and sustainable practices. Indeed, more than 80% of the surveyed GBA enterprises indicated they were willing to utilise/get a greater understanding of the sustainable products and services on offer from Hong Kong, including green applications, green financing and sustainability-related consultancy services. It was also acknowledged that Hong Kong, as Asia's leading international financial centre and green financing hub, can leverage its considerable advantages to assist any enterprise in overcoming the difficulties it may encounter while implementing ESG-related initiatives.

There was also a clear understanding of Hong Kong's role as a key regional business platform, one with unmatched connections to mainland China, Southeast Asia and many of the leading international markets. Whether supporting enterprises in strengthening their production capacities, assisting them in establishing a presence in the ASEAN market or providing GBA enterprises with green-related professional services, Hong Kong has continued to be regarded as the region's super-connector. In addition, it was also seen as ideally placed to help enterprises within the GBA and across the mainland implement their green and sustainable strategies, working alongside them to seize the huge regional development opportunities now emerging.

# Appendix

Between July and August 2024, HKTDC Research successfully conducted an online questionnaire survey of 600 enterprises headquartered in Hong Kong and five mainland GBA cities (Guangzhou, Shenzhen, Foshan, Dongguan and Zhongshan). All of these enterprises were either currently engaged in trading, investment or business operations in the ASEAN bloc or were planning to expand into the ASEAN markets in the next three years. As a further qualification, they were all planning to implement green and sustainable development or incorporate ESG elements into their operations in the next one to two years.

The objectives of this survey were three-fold. First, to gain an understanding of the progress of enterprises in six GBA cities when it came to implementing their green and sustainable programmes, as well as their related ESG plans and the challenges therein, and to establish Hong Kong's positioning in the region and the development opportunities for its related services. Second, to gain an understanding of the difficulties and challenges facing enterprises from six GBA cities operating (or looking to operate) in the ASEAN region, and Hong Kong's roles in facilitating trading and investment between the GBA and ASEAN. Third, to understand the views, goals and the support needed by enterprises from the surveyed GBA cities in terms of driving supply chain resilience and diversification.

To facilitate this, the study covers five major industries: (1) consumer goods; (2) industrial goods; (3) business, professional and financial services; (4) real estate, hospitality and construction; and (5) technology, media and telecommunications. These five industries were also categorised as either being part of the manufacturing or service sector.

## ▼ Profile of questionnaire respondents

Industry	Share
Manufacturing sector	38%
Consumer goods	19%
Industrial goods	19%
Service sector	62%
Business, professional and financial services (BPFS)	21%
Real estate, hospitality and construction (RHC)	21%
Technology, media and telecoms (TMT)	21%

Note: Percentages may not add up to 100 due to rounding.

Headquarters location	Share
Hong Kong	22%
Guangzhou	22%
Shenzhen	22%
Foshan	15%
Dongguan	15%
Zhongshan	5%

Note: Percentages may not add up to 100 due to rounding.

# Appendix

Business footprint in ASEAN	Share
Currently operating in ASEAN	59%
Planning to expand into ASEAN markets in the next 3 years	41%

Note: Percentages may not add up to 100 due to rounding.

Number of staff	Share
Manufacturing sector	38%
Mega-Corporation (with a staff complement of over 2,000)	5%
Large enterprise (with a staff complement from 301 to 2,000)	22%
SME (with a staff complement from 20 to 300)	11%
Service sector	62%
Mega-Corporation (with a staff complement of over 500)	11%
Large enterprise (with a staff complement from 51 to 500)	33%
SME (with a staff complement from 10 to 50)	18%

Note: Percentages may not add up to 100 due to rounding.

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