

MARCH 2026

從公共利益到 戰略產業：

香港國際教育樞紐發展路線圖

FROM PUBLIC GOOD TO STRATEGIC INDUSTRY:

A ROADMAP FOR HONG KONG'S TRANSNATIONAL EDUCATION SECTOR



From Public Good to Strategic Industry: A Roadmap for Hong Kong's Transnational Education Sector

POD Research Institute

March 2026

Table of Contents

Executive Summary	3
1. Introduction	5
2. Aim of this Report	6
3. The Evolving Global International Markets	6
4. Lessons from Leading and Emerging Education Hubs	13
5. Hong Kong's Current Standing	22
6. Leveraging Regional and Global Synergies	28
7. Proposed Recommendations	31
8. Conclusion	36
References	38

Executive Summary

1. The Core Argument: Hong Kong's education sector must strategically transition from a subsidized public good to a high-value export industry to fully capitalize on the global education market, projected to reach \$10 trillion by 2030. Unlike regional leaders such as Singapore, Hong Kong is currently hampered by structural and policy gaps, preventing it from realizing its full potential in this lucrative sector.

2. The World Trade Organization's General Agreement on Trade in Services (WTO GATS) Framework: The report proposes four "Modes of Supply" to boost HK's education export industry: online/distance learning (Mode 1), inbound international students (Mode 2), offshore campuses like HKUST Guangzhou (Mode 3), and expert mobility such as academics teaching abroad (Mode 4). The report reveals that Hong Kong's official statistics only really capture Mode 1 (direct cross-border payments), while almost entirely ignoring the economic value of Modes 2, 3, and 4.

3. The "Statistical Illusion": Education is not currently tracked as a standalone export category in HK's official statistics — it's lumped under "personal, cultural and recreational services." The official figure of ~HK\$1.4 billion (0.2% of service exports) is described as "economically counter-intuitive" given 92,000+ non-local students enrolled by 2024/25. Report proposes setting up of an Education Satellite Account to properly measure the sector's true multi-billion-dollar contribution.

4. Competitive Benchmarking: The UK, Australia, Singapore, Chinese Mainland, UAE, and South Korea are examined. Key lesson: successful hubs pair policy stability (clear visas, post-study work rights) with diversified modes of delivery. HK risks the same pitfalls as UK/Australia — over-reliance on a few source markets and policy inconsistency.

5. HK's Strengths and Bottlenecks: Strengths include 5 top-100 universities, English-medium instruction, GBA proximity, and the IANG policy (24-month post-graduation stay). Critical gaps include: no coherent export strategy, student housing shortage, underutilized HKDSE as a soft-power tool, and perception challenges around political stability.

6. GBA and BRI as Levers: The report positions HK as a "super-connector" for education in the GBA (86M+ people market) and BRI nations, via light-asset models like franchising, online programs, and teacher training exports (e.g., EdUHK's Vietnam projects).

7. Recommended Policy Roadmap

- Establish a "Study Hong Kong" statutory office (modelled on Education New Zealand / British Council)
- Form a Cross-Bureau Steering Committee on Education Exports
- Resolve the student housing crisis (fast-track hostel conversions, master leases)
- Scholarship diplomacy targeting BRI nations (Saudi Arabia, Kazakhstan)
- Adopt "light asset" TNE models through VTC and other tertiary institutions
- Invest in Muslim-friendly infrastructure for ASEAN/Middle East markets
- Reform the Post Secondary Colleges Ordinance (Cap 320) to enable offshore profit-generating branches

1. Introduction

Hong Kong's economic strength has long been anchored in its financial services and tourism sectors. However, as the global economy increasingly pivots towards knowledge-based industries, there is a pressing need for the city to diversify its economic landscape and harness new growth avenues. Hong Kong's world-class universities, celebrated for their academic rigor and research capabilities, represent a significant yet underutilized asset. These institutions have the potential to transform the education sector into a vibrant and substantial export industry.

International examples clearly illustrate the considerable economic and geopolitical advantages of transnational education. These countries have successfully attracted millions of international students and exported educational programs, resulting in billions of dollars in revenue, the creation of high-value jobs, and an enhancement of their global influence and soft power. However, the challenges they encountered along the way offer valuable lessons for Hong Kong to consider and adapt.

Hong Kong's unique "One Country, Two Systems" framework, exceptional connectivity to Chinese mainland, and status as a global metropolis provide a distinctive competitive edge. This strategic positioning, combined with a multicultural environment and a robust legal framework, positions Hong Kong ideally to emerge as a premier international education hub. Nevertheless, a comprehensive city-wide strategy to unlock this potential is still in its infancy.

This research report aims to establish a clear, practical, and forward-looking framework to foster deep collaboration among stakeholders. By explicitly recognizing international education as a service export, this initiative can be analyzed and promoted through the World Trade Organization's General Agreement on Trade in Services "Modes of Supply."¹

¹ World Trade Organization. (n.d.). *The General Agreement on Trade in Services (GATS): Objectives, coverage and Disciplines*. https://www.wto.org/english/tratop_e/serv_e/gatsqa_e.htm

2. Aim of this Report

This research report is designed to provide a foundational analysis and strategic direction by addressing five critical questions, forming the bedrock of Hong Kong's international education strategy:

- How big is the global market for international education, what are its diverse components and who are the main players?
- What are our current strengths in education, how does its economic contribution currently measure (or mismeasured) and what are the policy and statistical gaps holding us back?
- What can we learn from the successful strategies of competitors like the UK and Singapore, regarding their comprehensive measurement methodologies and policy framework for education service exports?
- How can we strategically leverage our role in the Greater Bay Area and the Belt and Road Initiative to create unique opportunities for education export, including specialised program services?
- What specific, concrete steps should Hong Kong take to build this new strategic industry, including recommendations for data collection, policy adjustment, and targeted market engagement?

3. The Evolving Global International Markets

The global international education market is a dynamic and multi-faceted service export industry undergoing significant transformation. Its value extends well beyond traditional tuition fees, encompassing a broad ecosystem of revenue streams, including accommodation, living expenses, travel, healthcare, and associated professional services.² Currently valued in the hundreds of billions of U.S. dollars annually, this market shows strong growth potential driven by several factors: increasing global demand for quality education, the pursuit of international career mobility, the rise of a global middle class in emerging economies, and the growing

² You, K. (2024). *The \$48 billion international education export myth*. Institute of Public Affairs. <https://ipa.org.au/wp-content/uploads/IPA-Research-Note-September-2024-48b-international-student-export-myth.pdf>

recognition of education as a catalyst for national development and soft power. Projections suggest that the global education market could reach at least \$10 trillion by 2030.³

3.1 Understanding Transnational Education

In general, Transnational Education (TNE) is defined as a situation where "learners are located in a country different from the one where the awarding institution is based" (Council of Europe, 2001). In the higher education sector, TNE is often delivered through online or distance learning, local delivery partnerships, such as franchised delivery, joint and dual degrees, or through the physical presence of a local institution in another country, such as a branch campus or study center.

3.2 Transnational Education as a Service Export: A WTO Supply Framework

To fully grasp the scope and potential of international education, it is crucial to categorise it by applying internationally recognized framework of the WTO's GATS "Modes of Supply"⁴:

Mode 1: Cross-border supply. The service is supplied from the territory of one member into the territory of any other members. In education, this includes online courses, distance learning programs, educational software, and digital content provided by Hong Kong institutions to students located abroad. It also covers virtual exchange programs and remote tutoring services.

Mode 2: Consumption abroad. The service is supplied in the territory of one member to the service consumer of any other member. This is the most traditional form in education, where international students physically travel to Hong Kong to enrol in universities, vocational training, language schools, or participate in short courses and summer programs. Their expenditure on tuition, accommodation, living expenses, and

³ HoloniQ. (n.d.). *Education in 2030. The \$10 trillion dollar question.* <https://www.holoniq.com/2030#:~:text=Global%20Education%20Market%20to%20reach,in%20education%20around%20the%20world>.

⁴ World Trade Organization. (n.d.-a). *Education services.* https://www.wto.org/english/tratop_e/serv_e/education_e/education_e.htm

local services constitutes a significant export.

Mode 3: Commercial presence. The service is supplied by a service supplier of one member through a commercial presence in the territory of any other member. In education, this involves local universities or educational providers establishing branch campuses, joint ventures, franchised programs, or other forms of institutional presence in foreign countries or regions, for instance, within the Greater Bay Area.

Mode 4: Presence of natural persons. The service is supplied by a service supplier of one member through the presence of natural persons of that member in the territory of any other member. For instance, Hong Kong-based academics, lecturers, researchers, or educational consultants traveling abroad to teach, conduct workshops, deliver executive education, or provide expert advice.

3.3 Contemporary Market Dynamics and Trends

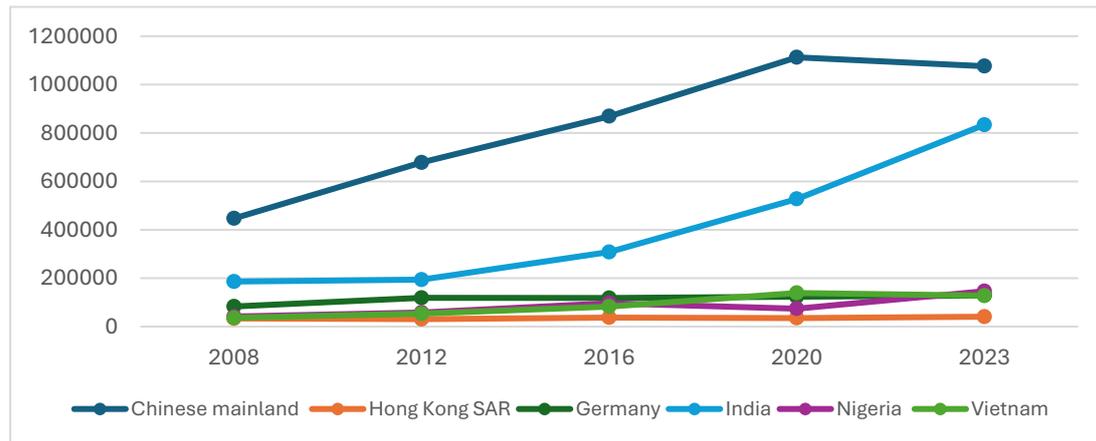
3.3.1 Population Flow

The international education market is undergoing a profound transformation, driven by technological advancements, evolving economic landscapes, and shifting student demands. Beyond traditional degree programs (Mode 2), there is a significant diversification of educational offerings. This includes a burgeoning demand for vocational training, executive education, professional development courses, micro-credentials, and specialized short courses aligned with future-oriented industries such as Artificial Intelligence, FinTech, Green Technology, and others (Guan et al., 2025).

The COVID-19 pandemic further accelerated the adoption of online and hybrid learning models, demonstrating their efficacy and scalability (Muller, 2022). While the immersive, in-person experience (Mode 2) remains highly valued, digital delivery (Mode 1) now offers unprecedented global reach, flexibility, and cost-effectiveness, particularly appealing to students in emerging markets or professionals seeking targeted development. This digital evolution also facilitates Mode 3 expansion through blended learning models at offshore campuses, broadening accessibility and market penetration.

Global student mobility continues to be a defining feature of this market. According to UNESCO data from 2023, the Chinese mainland leads as the country with the highest number of outbound internationally mobile tertiary students, followed by India, Nigeria, Germany, and Vietnam, underscoring the vast sending potential from Asia and Africa, as presented in Figure 1.

Figure 1 Total outbound internationally mobile students in selected jurisdictions (number)



Source: UNESCO 2026

Concurrently, the U.S. remains the primary recipient, hosting approximately 956,923 inbound students, followed by the United Kingdom, Australia, Germany, and Canada, solidifying the dominance of established Anglophone destinations for Mode 2 consumption, as presented in Figure 2.

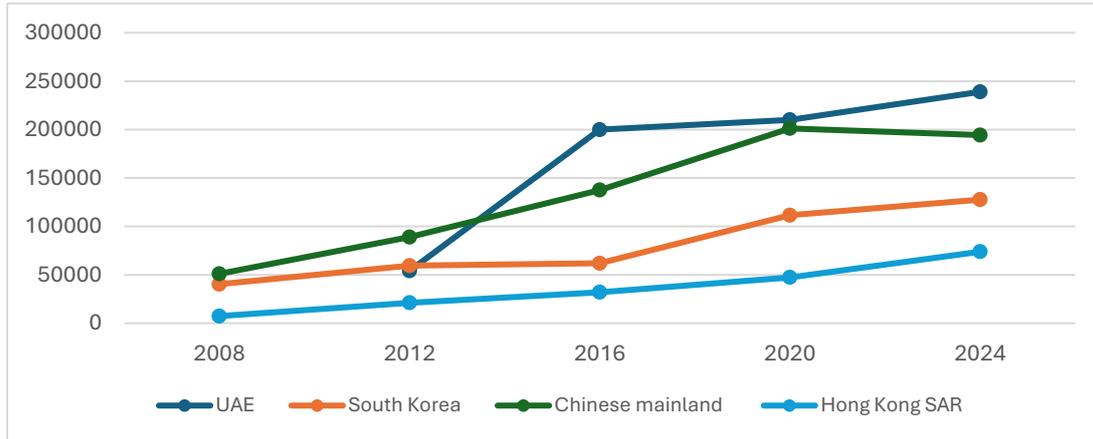
Figure 2 Total number of international students in tertiary education in selected countries



Source: UNESCO 2025

However, the landscape of receiving markets is diversifying. Emerging hubs, such as the United Arab Emirates (UAE) and South Korea, are rapidly establishing themselves as alternative destinations for international education (Abraham, 2025; The Straits Times, 2026), often through strategic investments in specialized programs and world-class infrastructure. While trends for the Chinese mainland's incoming student numbers showed a steady upward trajectory for many years, a noticeable decline has been observed since 2020, with numbers returning to 2018-2019 levels by 2024. In contrast, Hong Kong SAR has experienced stable increases in inbound international students during this period. These trends are visually represented in Figure 3, illustrating the dynamic shifts in regional student flows.

Figure 3 Total inbound internationally mobile students in selected jurisdictions (number)



Source: UNESCO 2026

Note: Data on the UAE is available for the years 2011, 2012, 2018, and every year thereafter. The figure for 2016 in the graph above uses data from 2018.

International education generates profound direct and indirect economic and strategic benefits for host nations. It stimulates local economies through significant student expenditure (Mode 2), creates high-value jobs in educational institutions and related sectors (across all modes), fosters innovation through research collaborations, and significantly enhances a nation's global reputation and soft power. It also plays a crucial role in promoting cultural exchange and strengthening diplomatic ties. Navigating these complex and competitive market dynamics requires strategic foresight and adaptability, compelling jurisdictions to not only increase international student enrolment (Mode 2) but also to diversify their educational export portfolios to include digital and specialized offerings (Mode 1) and strategically expand their commercial presence abroad (Mode 3).

3.3.2 Economic Contribution

Understanding the economic impact of Transnational Education (TNE) is crucial, given its significance as a growing global sector. However, quantifying its precise contribution to Gross Domestic Product (GDP) is complex, as both the definition of TNE and the methodologies for assessing its economic impact vary considerably across nations.

Generally, the economic impact of TNE is assessed by accounting for TNE exports and the expenditures of inbound international students. These include direct tuition fees, franchising fees paid by partner institutions to home institutions, operational revenue from branch campuses, and associated spending by inbound international students, such as living expenses. Table 1 presents TNE revenue figures for selected jurisdictions. However, it should be noted that methodologies for calculating economic impact vary; the figures below are intended for reference only.

Table 1 Revenue of TNE in Selected Jurisdictions

	Hong Kong ¹	Australia ²	Canada ³	U.K. ⁴	U.S.A ⁵
Total number of international students in tertiary education	>92,000	382,000	336,800	674,900	956,923
Original Revenue	HKD 1.4 billion	A\$53.6 billion (FY 2024/25)	CAD \$37.3 billion (FY 2022)	£32.3 billion (FY 2022)	USD \$43 billion (FY 2024/25)
Equivalent in HKD	HKD 1.4 billion	HK\$ 297.2 billion	HK\$ 187.9 billion	HK\$ 341.2 billion	HK\$ 336.4 billion

Source: Department of Education Australia (2026), Government of Canada (2024), Department of Education UK (2025), Association of International Educators (2025)

Note:

- 1 Education-related revenue is not reported as a standalone category in official sources; it is aggregated under "Personal, cultural and recreational services."
- 2 Figures for Australia include only tuition and export income from international students studying onshore under a student visa. Income generated by Australian institutions' overseas campuses is excluded.
- 3 This figure represents the total annual expenditures of international students in Canada, including spending by visiting families and friends.
- 4 This figure includes tuition fees and living expenses for international higher education students, as well as revenue from TNE activities, education products and services, independent schools, and English Language Training.
- 5 This figure primarily comprises tuition fees paid by TNE students, along with fees from validation and franchising arrangements involving UK institutions and overseas partners.

4. Lessons from Leading and Emerging Education Hubs

A critical examination of established and emerging international education hubs provides invaluable insights, not only into effective strategies but also into potential pitfalls. The UK, Australia, Singapore, Chinese mainland, and the UAE offer distinct models, each with commendable achievements and notable deficiencies, as presented in Table 1.

4.1 The United Kingdom

The UK boasts a globally recognized brand for academic excellence, a vast network of world-class universities, and a strong tradition of research. Its implementation of attractive post-study work visas (e.g., Graduate Route) has been highly effective in attracting talent (facilitating Mode 2).⁵ It offers a diverse range of programs and a vibrant multicultural environment. The UK has also been a pioneer in transnational education, with a significant commercial presence abroad (Mode 3) through branch campuses and validated programs.⁶

However, High tuition fees and cost of living can be prohibitive for Mode 2. Historically, frequent shifts in visa policies created uncertainty for international students.⁷ There has been an over-reliance on a few key sending markets (e.g., China), making the sector vulnerable to geopolitical shifts or policy changes in those countries. Post-Brexit, the UK is increasingly perceived as less welcoming, a sentiment exacerbated by recent government rhetoric on immigration. Such political transitions and the associated uncertainties regarding policy shifts often create apprehension among international students, potentially impacting future enrollment numbers for Mode 2.

4.2 Australia

Australia has built a robust international education sector primarily through Mode 2, combining high-quality education, strong post-study work rights, and regional migration pathways. It has invested heavily in quality assurance and a comprehensive national marketing strategy ("Study Australia").⁸ Its diverse offerings, particularly in

⁵ The UK Council for International Student Affairs. (2025, October 15). *Graduate route*. <https://www.UKcisa.org.UK/student-advice/working/graduate-route/>

⁶ Paul. (2025, November 5). *UK Branch Campus Developments are Booming*. The Wonderful (& Frightening) World of HE. <https://wonderfulhighered.com/2025/11/05/UK-branch-campus-developments-are-booming/>

⁷ CDS Mayfair. (2025, March 27). *The Impact of UK Immigration Policies on International Student Enrolment*. *CDS Mayfair*. <https://cdsmayfair.com/news-and-insights/2025/03/27/the-impact-of-UK-immigration-policies-on-international-student-enrollment/>

⁸ Australian Trade and Investment Commission. (n.d.). *Study with*

vocational education, attract a broad student base. Australia has also expanded its Mode 3 presence, particularly in Southeast Asia.

Similar to the UK, Australia faces challenges with high cost of living and a significant dependence on a few key markets. Recent tightening of visa rules and increased scrutiny on "visa hopping" have created uncertainty and negative sentiment among prospective students, directly impacting Mode 2.⁹ Geographical distance can also be a barrier for some markets. Ethical concerns have occasionally arisen regarding the quality and recruitment practices of some private providers, particularly concerning Mode 2 and some Mode 3 partnerships.

4.3 Singapore

Singapore's success is rooted in strategic government planning, a focus on niche specializations (e.g., business, technology, biomedical sciences), and strong industry links.¹⁰ It has successfully attracted numerous international branch campuses of top global universities (Mode 3), enhancing its educational ecosystem and drawing international students (Mode 2). Its reputation for safety, efficiency, and quality assurance is a major draw.

However, its small domestic market limits scale. The high cost of living can be a deterrent for Mode 2 students, and its relatively strict social regulations may not appeal to all international students. Compared to larger nations, it offers a less diverse range of program options and generally more limited post-study work opportunities for general graduates (Mode 2 retention), focusing more on high-skilled talent retention. Its Mode 1 offerings are still developing compared to its strong Mode 2 and

Australia. <https://www.studyaustralia.gov.au/>

⁹ Chung, F. (2026, January 11). 'Emerging integrity issues': Home Affairs tightens visa scrutiny for India, Nepal, Bangladesh and Bhutan. *news.com.au*. <https://www.news.com.au/finance/economy/australian-economy/emerging-integrity-issues-home-affairs-tightens-visa-scrutiny-for-india-nepal-bangladesh-and-bhutan/news-story/dac0730bac1a1479dc58e1f7ac01c7f1>

¹⁰ Chong, S. K. (2022). School-Based niche programmes in Singapore. In *Education in the Asia-Pacific region* (pp. 113–125). https://doi.org/10.1007/978-981-16-6034-4_6

3 presences.

4.4 Chinese mainland

Chinese mainland has rapidly emerged as a significant receiving market for international students (Mode 2), particularly from Belt and Road countries and other developing nations, often supported by government scholarships (Shih and Cao, 2022). It has made massive government investments in higher education and research, leading to a rapid improvement in its universities' global rankings and research output, attracting international researchers and faculty (Mode 4). The establishment of numerous Sino-foreign joint venture universities and programs (Mode 3) with top global institutions has also significantly enhanced its international educational offerings and capacity.¹¹

On the flip side, language barriers can be a significant hurdle for non-Chinese speaking students as Mandarin Chinese proficiency is often required in daily communication (Mshenga and Sun, 2025). Concerns about academic freedom and internet censorship may deter some international students. While rapidly improving, quality variability across its vast number of institutions can be an issue. Its international brand as a sending destination for students, while growing, is less established globally compared to Western hubs. The focus is often on specific political and economic objectives rather than broad, market-driven internationalization.

4.5 United Arab Emirates

The UAE has pursued an aggressive and highly successful strategy to attract international branch campuses (Mode 3) from prestigious global universities (e.g., NYU Abu Dhabi, Sorbonne University Abu Dhabi, University of Birmingham Dubai).¹² It has created dedicated "Free Zones" for education (e.g., Dubai Knowledge

¹¹ Tolentino, A. (2025, August 1). *Top Sino-Foreign Joint Venture Universities in China*. China Admissions. <https://www.china-admissions.com/blog/top-sino-foreign-joint-venture-universities-in-china/>

¹² Bollag, B. (2024, December 31). International branch campuses spread in Mideast amid

Park, Academic City) to simplify the setup and operation for foreign institutions.¹³ These zones offer attractive tax regimes, world-class infrastructure, and a safe, modern environment, making them appealing for both institutions and students (Mode 2). The focus is often on specialized, industry-relevant programs in high-demand fields like engineering, business, and media.

Similar to other hubs, the high cost of living and tuition fees can be a significant barrier for many prospective students. While offering a world-class education, the UAE generally provides more limited post-study work opportunities or clear pathways to residency for general graduates (impacting Mode 2 retention), focusing more on attracting and retaining highly specialized talent. Cultural differences and social restrictions may not appeal to all international students.¹⁴ The education sector, though rapidly growing, is relatively young and still building a long-term, independent research reputation compared to more established hubs.

4.6 South Korea

South Korea has rapidly emerged as a new education hub for international students, driven by a handful of reasons. Building upon its foundation of world-leading tech giants like Samsung, LG, and Hyundai – which serve as powerful magnets for STEM and business talent through direct employment, internships, and R&D collaborations – South Korea's appeal as an education hub is further propelled by a strategic "free market" approach for international students and a proactive drive for student diversification.

The South Korean government, through its Ministry of Education, has adopted a notably liberal stance concerning international students. Unlike domestic students,

concerns about costs, impact. *Al-Fanar Media*. <https://al-fanarmedia.org/2024/12/international-branch-campuses-spread-in-mideast-amid-concerns-about-costs-impact/>

¹³ Cross-Border Education Research Team. (n.d.). *Education Hubs*. [https://www.cbert.org/education-hubs#:~:text=Launched%20in%202003%2C%20Dubai%20Knowledge%20Park%20\(DKP\),is%20one%20of%20TECOM's%20many%20business%20parks.](https://www.cbert.org/education-hubs#:~:text=Launched%20in%202003%2C%20Dubai%20Knowledge%20Park%20(DKP),is%20one%20of%20TECOM's%20many%20business%20parks.)

¹⁴ Miles, E. (2025, November 17). *Living in UAE: pros, cons, and what expats should know*. Global Citizen Solutions. <https://www.globalcitizensolutions.com/living-in-uae/>

where tuition prices and university places are often regulated, universities are granted significant autonomy for their international programs. As highlighted by Professor Sang-Kee Song, this "without the control of the Ministry of Education" environment empowers institutions to design innovative curricula and new study areas specifically tailored to global demand, such as specialized programs in global entertainment, AI, and engineering. This flexibility allows universities to respond swiftly to emerging global trends and student interests, making their offerings highly competitive and relevant on the international stage.

Moreover, South Korean universities are actively pursuing a strategy of diversifying their international student intake beyond traditional sources. This is not merely about increasing numbers but about enriching the learning environment. Professor Song emphasized that diversifying the student body is seen as an "opportunity for growth" that equips domestic students for global leadership. Institutions like Korea University are leading this charge by establishing new scholarships specifically targeting students from regions such as Africa, South America, and Eastern Europe. This deliberate effort to attract a broader mix of nationalities and backgrounds fosters a more multicultural and globally-minded campus environment, preparing all students for an interconnected world. Coupled with Seoul's recognition as a top student city by QS and the Mayor's welcoming stance, these policy and institutional innovations collectively position South Korea as a dynamic, innovative, and increasingly inclusive destination for international higher education.

Additionally, the pervasive influence of the Korea Wave of K-Pop, K-Drama and the culture, which have all cultivated immense global interest, drawing students eager to come to visit Korea and immerse themselves in the language and lifestyle.

Based on the brief case studies above, here are several key takeaways for Hong Kong to develop transnational education as a strategic industry for future growth:

- Strategic Diversification Across Modes: Hong Kong should avoid over-reliance on single markets or program types. It is essential to diversify modes of supply by strengthening Mode 2 (on-campus international students), actively developing Mode 1 (online/distance learning), and strategically expanding Mode 3 (offshore presence) and Mode 4 (expert mobility).

- **Policy Stability and Clarity:** Consistent, clear, and student-friendly visa and post-study work policies are vital for building trust and attracting talent in Mode 2.
- **Value Proposition Beyond Cost:** While cost is an important factor, Hong Kong should emphasize its unique value proposition: quality education, career opportunities in the GBA, and a global outlook tailored to attract students across all modes.
- **Quality Assurance and Ethical Recruitment:** Maintaining rigorous quality standards and ethical recruitment practices is crucial for preserving long-term reputation, especially when expanding into Modes 1 and 3.
- **Leveraging Regional Strengths:** Hong Kong should learn from China's scale and government investment within the GBA, as well as from the UAE's success in attracting Mode 3 campuses. Actively promoting Hong Kong as a hub for both inbound students and outbound educational services within the region will be beneficial.

Table 2 Comparative Analysis of Leading Education Hubs

Education Hub	Key Strengths	Primary Mode(s) of Supply Emphasis	Major Challenges / Weaknesses	Key Takeaways for Hong Kong
UK	Global brand recognition, academic excellence, strong research, attractive post-study work (Graduate Route), pioneer in TNE (Mode 3).	Mode 2 (traditional), growing Mode 3.	High cost of living/tuition, policy uncertainty, over-reliance on key markets, post-Brexit perception.	Brand Building & Stable Policy: Emphasize global reputation, ensure consistent and welcoming visa/post-study work policies. TNE Expertise: Learn from their experience in establishing offshore campuses and partnerships.
Australia	High-quality education, integrated education-migration pathways (post-study work/residency), national marketing ("Study Australia"), strong vocational sector.	Mode 2 (traditional).	High cost of living, recent policy tightening creating uncertainty, market over-reliance, occasional ethical concerns in recruitment.	Integrated Policy: Connect education with talent retention and economic development. Quality Assurance: Maintain rigorous standards and ethical recruitment. National Branding: Develop a unified, compelling "Study in Hong Kong" campaign.
Singapore	Strategic government planning, niche specialization (e.g., business, tech), strong industry links, attracting top international branch campuses (Mode 3), safety & efficiency.	Mode 3 (attracting), Mode 2 (students).	Small domestic market, high cost of living, limited post-study work for general graduates, less diverse program range.	Niche Specialization: Identify and promote HK's unique strengths (e.g., FinTech, GBA expertise). Attracting Mode 3: Strategically attract top global institutions to set up presence.

				Government Role: Strong, coordinated government leadership is crucial.
Chinese mainland	Massive scale and government investment in higher education/research, rapidly improving global rankings, significant scholarships, growing number of Sino-foreign joint ventures (Mode 3), major receiver of BRI students (Mode 2).	Mode 2 (receiving), Mode 3 (joint ventures), Mode 4 (researchers).	Language barriers, academic freedom concerns, quality variability across institutions, less established global brand for <i>sending</i> students.	Leverage Scale & Investment: Capitalize on GBA integration and government support for education. Targeted Scholarships: Attract talent from strategic regions (e.g., BRI, GBA). Joint Ventures: Explore more Mode 3 partnerships within the GBA.
UAE (Dubai)	Aggressive strategy to attract international branch campuses (Mode 3), creation of education "Free Zones," high-quality infrastructure, safe environment, focus on specialized industry-relevant programs.	Mode 3 (attracting), Mode 2 (students).	High cost of living/tuition, limited post-study work pathways for general graduates, cultural differences, reliance on foreign institutions.	Strategic Mode 3 Attraction: Develop incentives and streamlined processes for top global universities to establish a presence. Specialized Zones: Consider dedicated education zones to foster growth. Infrastructure Investment: Ensure world-class facilities and student support.

Source: Compiled by PODRI

5. Hong Kong's Current Standing

Hong Kong's current standing in the international education landscape presents a compelling paradox: it possesses a formidable array of inherent strengths that provide a robust foundation for an international education hub, yet these assets are significantly constrained by critical policy, statistical, and perceptual impediments, as presented in Figure 4.

5.1 A World-Class Foundation, Academic Excellence & Strategic Location

Fundamentally, Hong Kong boasts a robust academic foundation, with several of its universities consistently ranking among the top 100 globally in prestigious surveys such as the QS World University Rankings and Times Higher Education World University Rankings. This elite standing is underscored by world-class research capabilities, evidenced by high citation indices and a substantial volume of high-impact publications across various disciplines. The widespread adoption of English as the primary medium of instruction in its higher education institutions significantly lowers linguistic barriers for international students, enhancing accessibility. Furthermore, Hong Kong's established status as a leading global financial and business hub, coupled with its strategic location at the nexus of the Greater Bay Area (GBA) and the ASEAN region, provides unparalleled career opportunities within a dynamic, multicultural metropolis, naturally attracting global talent.

Beyond its world-class higher education, Hong Kong also hosts a vibrant and highly regarded international school sector. These institutions, offering diverse curricula such as the International Baccalaureate, IGCSE, and A-Levels, are a significant draw for expatriate families and increasingly for local and GBA families seeking a globally recognized education. They contribute substantially to Hong Kong's appeal as a destination for international talent, as access to high-quality schooling is a primary consideration for relocating professionals. While primarily serving the children of residents, these schools also attract non-local students whose families specifically move to Hong Kong for educational opportunities, thus contributing to Mode 2 (consumption abroad).

A growing, albeit niche, aspect of this sector is the provision of boarding facilities.

While Hong Kong is not traditionally perceived as a boarding school destination like the

UK or Switzerland, a handful of schools under the Direct Subsidy Scheme and international schools offer residential options.¹⁵ This caters to a specific demand, particularly from students in the GBA and other Asian regions, who seek an immersive international curriculum and environment without the geographical distance of traditional Western boarding schools. This offering presents a unique value proposition, combining a Western-style education with proximity to home, and further diversifies Hong Kong's educational export portfolio, attracting younger international students and their associated expenditures.

5.2 Policy Synergies: Chinese mainland and Hong Kong

Hong Kong's education export strategy is intrinsically linked to and can significantly contribute to the broader national development objectives outlined in the Chinese mainland's 15th Five-Year Plan, which typically spans from 2026 to 2030. This overarching national blueprint will prioritize key areas such as technological innovation, talent development, green transformation, and enhanced regional integration, particularly within the GBA. For Hong Kong, this presents a critical opportunity to align its educational offerings with these national priorities, positioning itself as a vital component of China's strategy for global competitiveness and soft power projection.

Specifically, the 15th Five-Year Plan emphasizes the cultivation of high-caliber talent, particularly in science and technology fields, artificial intelligence, and advanced manufacturing, which are areas where Hong Kong's universities excel.¹⁶ By attracting and nurturing international students in these disciplines, and by facilitating their integration into the GBA's innovation ecosystem, Hong Kong directly supports the national talent strategy. Furthermore, the Plan will likely promote deeper integration and connectivity within the GBA, creating a more seamless flow of people, goods, and services.¹⁷ Hong Kong's role as an international education hub can accelerate this integration by fostering cross-border academic collaboration, joint research initiatives,

¹⁵ ITS Education Asia. (n.d.). *Boarding schools in Hong Kong*. <https://itseducation.asia/school/hong-kong/boarding-schools-hk>

¹⁶ Xinhua. (2025, November 20). *Minister of Education outlines priorities for building a stronger educational system*. Ministry of Education of the People's Republic of China. http://en.moe.gov.cn/news/press_releases/202511/t20251124_1421414.html

¹⁷ Li, B. (2026, January 26). *GBA to spearhead nation's development with greater momentum*. China Daily. <https://www.chinadailyhk.com/hk/article/627960>

and talent mobility, thereby strengthening the GBA's overall competitiveness.

Complementing these national directives, the Hong Kong government's own strategic initiatives, such as the Northern Metropolis Development Strategy, further solidify this synergy. The Northern Metropolis, envisioned as a new engine for growth and innovation, particularly in innovation and technology, directly aligns with the 15th Five-Year Plan's talent and technology focus. By developing a vibrant hub for advanced industries and research, it creates a demand for high-caliber talent that Hong Kong's educational institutions can supply and attract. These local initiatives provide concrete pathways for Hong Kong to operationalize its contribution to the national strategy, particularly in attracting and retaining talent within the GBA.

Moreover, the 15th Five-Year Plan's focus on expanding China's global influence and deepening cooperation with Belt and Road Initiative (BRI) countries offers a clear mandate for Hong Kong's outbound education strategy. By exporting its educational expertise, curricula, and quality assurance mechanisms to BRI nations, Hong Kong can serve as a "super-connector" in educational diplomacy, building bridges and fostering goodwill in alignment with national foreign policy objectives. This strategic alignment ensures that Hong Kong's efforts in education export are not only economically beneficial but also contribute meaningfully to the nation's long-term strategic vision, securing sustained support and resources for its development.

5.3 The statistical illusion: undervaluing economic contribution

Despite these formidable assets, a critical impediment to fully understanding and maximizing the sector's contribution is the current methodology for measuring the economic impact of education services. Hong Kong's official trade statistics, compiled by the Census and Statistics Department within the Balance of Payments (BoP) framework, fundamentally misrepresent the sector's true economic value. Education services are not accorded a distinct category but are subsumed under "Item 11.2: Other personal, cultural, and recreational services." This aggregate classification lumps high-value university tuition and research contracts with disparate activities such as audiovisual production, museum services, and health services. Consequently, in 2023, the total value recorded for "Personal, cultural and recreational services" was approximately HK\$1.4 billion, representing a negligible 0.2% of Hong Kong's total

service exports.¹⁸ This figure is economically counter-intuitive and statistically indefensible when contrasted with the operational reality of the sector, which saw 23,097 non-local students enrolled in University Grants Committee-funded institutions in the 2023/24 academic year, with total non-local enrollment across all post-secondary sectors estimated at over 92,000 by 2024/25.¹⁹ The disconnect arises from a restrictive definition of trade that primarily captures only direct cross-border payments for educational services (Mode 1) while failing to account for the substantial consumption expenditures of non-local students residing in Hong Kong (Mode 2). Furthermore, it largely excludes the commercial activities of Hong Kong's universities operating in the mainland (Mode 3), treating them as separate legal entities outside the domestic trade boundary. This chronic underestimation obscures the sector's multi-billion-dollar economic contribution and hinders the formulation of targeted, evidence-based policies necessary for its strategic growth.

5.4 Structural bottleneck

Beyond these statistical limitations, Hong Kong faces significant policy gaps and structural impediments. Foremost among these is the absence of a comprehensive, commercially oriented national framework explicitly designed to facilitate and promote education service exports across all four WTO Modes of Supply. This contrasts sharply with competitor jurisdictions that have dedicated strategies, funding mechanisms, and coordinated national branding campaigns. Furthermore, challenges persist regarding the international recognition and strategic leveraging of local curricula and assessment systems, such as the HKDSE. While a rigorous qualification, its unfamiliarity to many international admissions officers and the lack of clear articulation pathways can complicate student mobility, thereby limiting its potential as a soft power asset and a conduit for international student recruitment.²⁰

¹⁸ Census and Statistics Department. (2025). *Hong Kong's trade in services statistics for 2023*. https://www.censtatd.gov.hk/en./press_release_detail.html?id=5683

¹⁹ Colliers releases a new report analysing the opportunities and challenges for Hong Kong in becoming an international education hub <https://www.colliers.com/zh-hk/news/2025-09-colliers-white-paper-building-hong-kong-into-an-international-education-hub>

²⁰ Chen, L. (2025, August 23). Internationalise Hong Kong's DSE to help turn city into education hub: lawmakers. *South China Morning Post*. <https://www.scmp.com/news/hong-kong/education/article/3322925/internationalise-hong-kongs-dse-help-turn-city-education-hub->

Additionally, many have highlighted that Hong Kong may not have adequate housing capacity for international students, a concern that extends from university levels to the high school sector.²¹ Due to influx of international students, specifically from the Chinese mainland, the intensified accommodation pressure is compounded by Hong Kong's status as having some of the world's most expensive real estate, making new construction for student dormitories difficult and costly. While the government and universities are actively seeking solutions, such as a pilot scheme to convert hotels and commercial buildings into student hostels and a plan for an additional 13,470 university hostel places by 2027, these efforts primarily target undergraduates and are still in progress.²² Concerns remain regarding the sufficiency of these provisions for the growing number of self-financed postgraduate students, and the potential for commercial conversions to prioritize occupancy over student well-being by offering subdivided units with limited communal spaces. This acute housing shortage, as highlighted by 'The Standard' warning that 'Top students will look elsewhere if HK can't offer proper housing,' poses a significant barrier to attracting and retaining international talent across all educational levels.

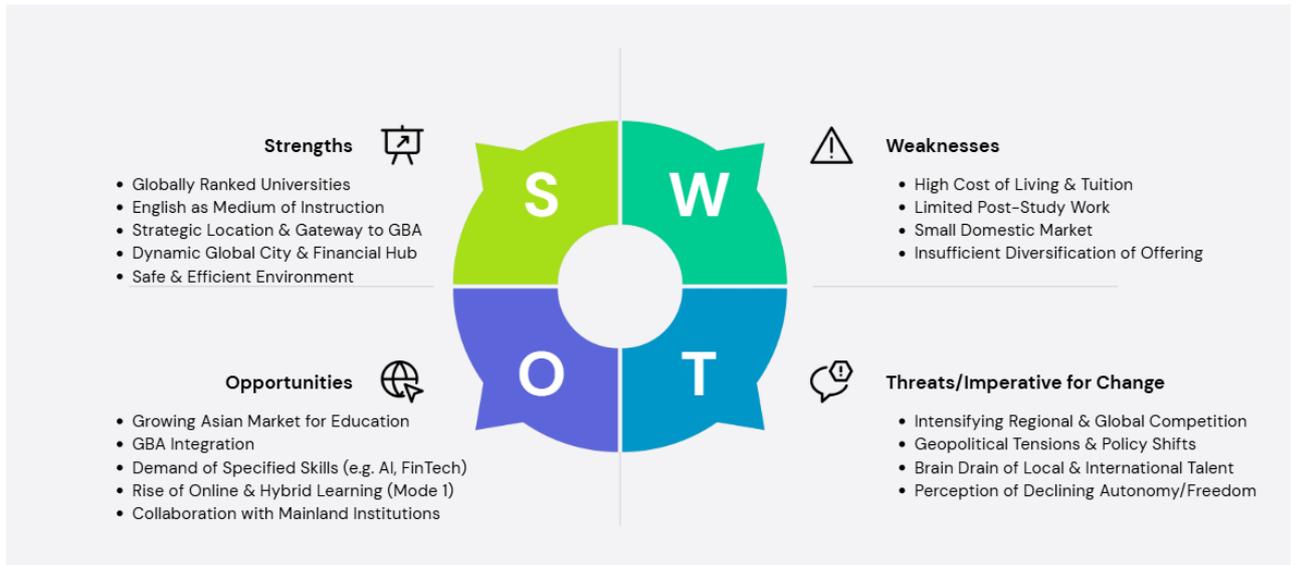
These systemic issues, coupled with other factors such as the high cost of living and evolving perceptions of political stability, collectively diminish Hong Kong's competitiveness. This analysis underscores the urgent imperative for strategic and coordinated change to fully capitalize on Hong Kong's educational assets.

[lawmakers](#)

²¹ Standard. (2025, June 9). Top students will look elsewhere if HK can't offer proper housing. *The Standard*. <https://www.thestandard.com.hk/the-standard-stands/article/304255/Top-students-will-look-elsewhere-if-HK-cant-offer-proper-housing>

²² Sharma, Y. (2025, September 1). *Non-local student influx ramps up accommodation pressure*. University World News. <https://www.universityworldnews.com/post.php?story=20250901172624970>

Figure 4 SWOT Analysis of Hong Kong's Current Education Standing



Source: Compiled by PODRI

6. Leveraging Regional and Global Synergies

Hong Kong's unique geopolitical position within the GBA and its pivotal role in the BRI present unparalleled opportunities for education export and strategic influence, particularly when analyzed through the lens of the WTO Modes of Supply. These regional and global frameworks offer distinct avenues for expanding Hong Kong's educational footprint and enhancing its international standing.

The GBA represents an immense and rapidly growing market of over 86 million people, characterized by a burgeoning middle class and a strong demand for high-quality, internationally recognized qualifications. Hong Kong is uniquely positioned to serve as the premier international education gateway for GBA students seeking global perspectives and career pathways, primarily through Mode 2. The government's stated target to double the non-local student quota to 40% underscores the strategic intent to attract this demographic. Beyond student mobility, the GBA serves as an ideal platform for collaborative research and innovation. Hong Kong's academic institutions possess strengths that can be synergistically combined with the industrial and technological prowess of mainland GBA cities, fostering joint research projects, shared state-of-the-art facilities, and faculty exchanges (Mode 4). This dynamic interaction contributes to the formation of a synergistic innovation hub. Furthermore, the GBA already hosts significant Mode 3 initiatives, exemplified by the substantial educational enterprises of HKUST (Guangzhou), CUHK (Shenzhen), and CityU (Dongguan). These massive campuses, involving significant capital and land investment from Mainland municipal governments, represent a "Heavy Asset" model of TNE. The economic value generated by these operations, including their total operational revenue, contributes to Hong Kong's broader educational export landscape. The availability of the Immigration Arrangements for Non-local Graduates (IANG) policy, allowing graduates to stay for 24 months without an initial job offer, further enhances Hong Kong's appeal as a talent magnet within the GBA.

Concurrently, the BRI provides a strategic framework for Hong Kong to engage in significant capacity building and knowledge transfer across diverse economies. Many BRI nations exhibit specific development needs in critical areas such as sustainable infrastructure, digital transformation, public health, environmental management, logistics, and public administration. Hong Kong, with its established expertise in these

sectors, possesses the capacity to export its educational knowledge through tailored online programs (Mode 1) and capacity-building initiatives delivered by Hong Kong experts abroad (Mode 4). Examples include the successful execution of teacher training projects by The Education University of Hong Kong in Vietnam.²³ This represents a prime opportunity for "knowledge transfer" as a high-value export. Such engagement can also extend to the establishment of joint institutes or branch campuses (Mode 3) in BRI countries, potentially leveraging "Light Asset" models, similar to the franchising and validation approaches adopted by UK and Australian institutions, or exploring the "Wollongong Model" of fully-owned branch campuses in strategic offshore hubs. The HKDSE, as a unique internationally recognized secondary qualification available in both English and Chinese, also presents a significant niche market among the global Chinese diaspora and in BRI nations where Chinese proficiency is rising, offering a distinct exportable curriculum. These diverse engagements not only foster deeper educational partnerships, including student and faculty exchange programs (Mode 2 & 4) and joint degree offerings (Mode 3), but also significantly enhance Hong Kong's regional influence and boost its soft power and diplomatic ties, aligning with contemporary trends in global education, particularly through online, hybrid, and blended learning models (Mode 1).

Beyond these specific regional and global engagements, Hong Kong's ability to attract top-tier talent from around the world is paramount to realizing its strategic ambitions. The Top Talent Pass Scheme (TTPS) serves as a crucial mechanism in this regard, drawing from a globally recognized pool of institutions. The updated aggregate list of eligible universities, critical to the TTPS's objective of attracting global talent, demonstrates this broad international reach. The following table provides a geographical breakdown of these institutions, highlighting the diverse origins of potential high-calibre applicants.

Table 4 Aggregate list of eligible universities under the Top Talent Pass Scheme (TTPS)

Country	Amount	Country	Amount
Argentina	1	Japan	6

²³ The Education University of Hong Kong. (2024, April 15). EdUHK Deepens Collaboration with ASEAN Countries Promoting Educational and Cultural Exchange under the Belt and Road Initiative. *The Education University of Hong Kong*. <https://www.eduhk.hk/en/visits-and-collaboration/eduhk-deepens-collaboration-with-asean-countries-promoting-educational-and-cultural-exchange-under-the-belt-and-road-initiative>

Australia	10	Malaysia	1
Austria	1	Mexico	1
Belgium	2	Netherlands	9
Brazil	1	New Zealand	1
Canada	6	Norway	1
Chile	1	Russia	1
Chinese Mainland	23	Saudi Arabia	4
Denmark	3	Singapore	2
Finland	1	South Korea	6
France	5	Spain	1
Germany	10	Sweden	5
Hong Kong SAR	5	Switzerland	11
Ireland	1	Taiwan	1
Israel	3	U.K.	21
Italy	1	U.S.A.	55

Source: Annual update of aggregate list of eligible universities under TTPS. (n.d.).

<https://www.info.gov.hk/gia/general/202512/28/P2025122400232.htm?fontSize=1>

This extensive geographical distribution of eligible universities underscores Hong Kong's commitment to drawing from a diverse and high-calibre international talent pool, further solidifying its position as a global hub and complementing its regional engagement strategies.

7. Proposed Recommendations

To effectively transition Hong Kong's education sector from a subsidized public good to a strategic export industry, a multi-faceted policy roadmap is required. These recommendations are designed to address current statistical deficiencies, expand inbound capacity, foster market diversification, and strategically leverage Hong Kong's educational excellence globally. Proposed timeline is presented in Figure 3.

7.1 Governance and Coordination

A whole-of-government industrial strategy is essential to operationalize this roadmap:

- **Establish a "Study Hong Kong" Office:** Create a high-level statutory body, modeled on Education New Zealand or the British Council, to coordinate international marketing, manage the "Study in Hong Kong" brand, and unify recruitment efforts across all publicly funded and self-financing institutions.
- **Form a Cross-Bureau Steering Committee:** Establish a cross-bureau Steering Committee on Education Exports, to align land policies for hostels, immigration policies for visas, and fiscal policies for funding across relevant government departments.

7.2 Strategic Talent Development and Retention

The critical shortage of affordable student accommodation must be resolved to support increased international student enrollment:

- **Streamline Approval Processes:** Create a "single window" expedited approval process within the Buildings Department for hostel conversions to reduce technical compliance costs and time.
- **Implement University Master Leases:** Encourage universities to enter into long-term master leases (10+ years) with private developers to de-risk projects, guarantee occupancy, and stabilize yields.
- **Northern Metropolis Innovation Talent Support:** Establish dedicated support for entrepreneurial youth and STEM PhDs in the Northern Metropolis, drawing inspiration from Science Park's mentorship and accommodation provisions, including transitional housing, to foster innovation and retain top talent.

- **Enhanced IP Talent Development:** Expand the Intellectual Property talent development initiative, building on the HKD 52 million 'IP Academy' pilot program (IDD & VTC), to include collaborations with the eight public universities. This aims to equip young talent with essential technology and legal knowledge for entrepreneurship, thereby creating channels for upward social mobility.
- **VTC-University AI Training Partnerships:** Foster collaborations between the Vocational Training Council (VTC) and universities to co-develop and offer advanced AI training and practical application courses for the wider community, enhancing the city's digital talent pool and future-proofing the workforce.

7.3 Inbound Strategy and Market Diversification

To mitigate concentration risk and attract a broader international student base, Hong Kong must diversify its recruitment efforts:

- **Enhance International Student Diversity:** Implement a Key Performance Indicator (KPI) for universities to achieve a more diversified international student body, targeting at least 15% of the overall student population to be non-local, non-Mainland Chinese students, thereby enriching the global learning environment and fostering a global mindset.
- **Strengthen Student Screening Processes:** Implement enhanced screening and verification protocols for international student applications to mitigate fraud and ensure the integrity and quality of admissions.
- **Strategic Scholarship Diplomacy:** Utilize the HK\$40 million publicity fund to create high-profile "Hong Kong Global Scholar" cohorts, specifically targeting strategic partners within the BRI such as Saudi Arabia and Kazakhstan.
- **Invest in Muslim-Friendly Infrastructure:** To enhance appeal in markets like Indonesia and the Middle East, universities must invest in Halal-certified dining and prayer facilities, signaling cultural inclusivity in the higher-education sector.
- **Explicitly Market IANG Policy:** Proactively market Hong Kong's relaxed Immigration Arrangements for IANG policy, highlighting the pathway to career opportunities in the GBA to international students, particularly from ASEAN, as a competitive advantage against tightening policies in other global hubs.

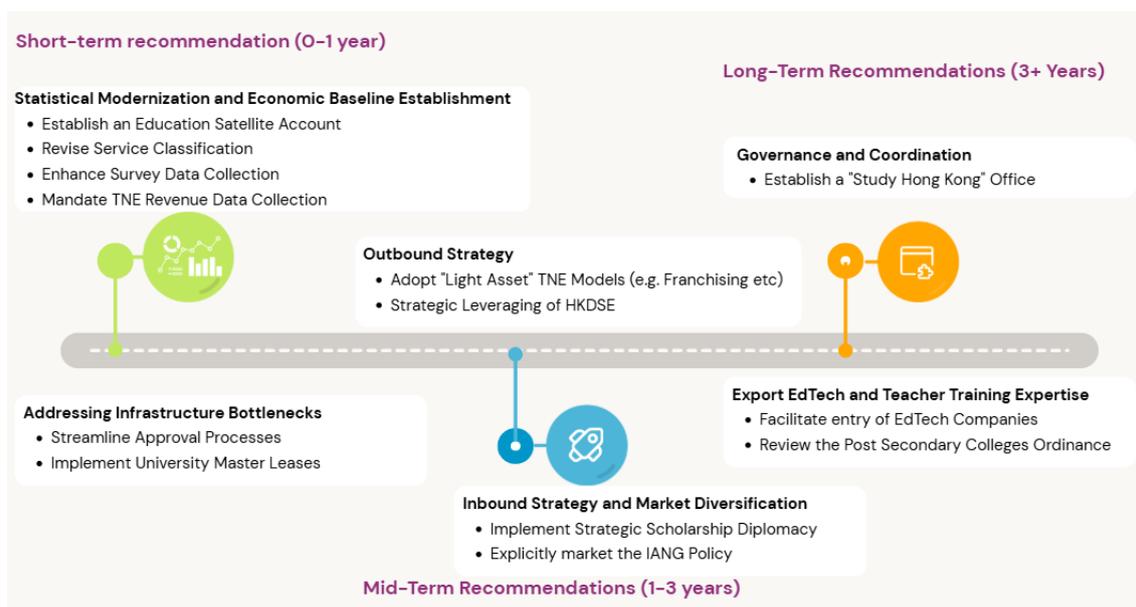
7.4 Outbound Strategy and Exporting Educational Excellence

To become a mature education exporter, Hong Kong must actively globalize its educational offerings:

- **Facilitate Global Graduate Employment:** Develop government-supported initiatives and international partnerships to assist Hong Kong graduates in exploring and securing employment opportunities beyond Hong Kong, leveraging the global recognition of local university degrees and fostering outward mobility.
- **Adopt "Light Asset" TNE Models:**
 - **Franchising and Validation:** Self-financing arms like tertiary institutions and the Vocational Training Council (VTC) should adopt franchising and validation models, partnering with local private colleges in ASEAN markets (e.g., Vietnam, Indonesia) to deliver Hong Kong curricula and validate degrees.
 - **VTC Export:** Establish "VTC Accredited" centers in developing economies where local partners provide infrastructure, and VTC provides curriculum and quality assurance, creating scalable revenue streams.
- **Explore "Go Global" Campuses:** Investigate the feasibility of establishing fully-owned branch campuses in strategic offshore hubs within the BRI, such as Riyadh or Kuala Lumpur, leveraging the "Study in Hong Kong" brand to charge premium tuition fees and repatriate dividends.
- **Strategic Leveraging of HKDSE:**
 - **Mainland Expansion:** Continue the designation of Mainland schools as HKDSE assessment centers to expand the candidate pool for this unique qualification.
 - **International Recognition Campaign:** The Hong Kong Examinations and Assessment Authority must launch a proactive diplomatic campaign to secure and maintain mutual recognition agreements with education ministries in key markets, including the UK, Australia, and ASEAN partners, positioning the HKDSE as a global credential.

- Global Higher Education Pathway: Actively promote the HKDSE as a viable and respected entry qualification for non-Chinese students seeking admission to universities worldwide, highlighting its rigorous academic standards and broad subject coverage as an alternative to other international curricula.
- Export EdTech and Teacher Training Expertise:
 - EdTech: Facilitate the entry of Hong Kong's innovative EdTech companies (e.g., Find Solution Ai) into ASEAN markets through Trade Development Council missions and by creating "GBA EdTech Standards" as an exportable quality benchmark.
- Outbound Regulatory Reform: Review the Post Secondary Colleges Ordinance (Cap 320) to explicitly empower and incentivize self-financing institutions to establish profit-generating offshore branches, clarifying the legal and tax status of repatriated TNE revenue to encourage global expansion.

Figure 5 Proposed timeline for the suggested recommendations



Source: Compiled by PODRI

7.5 Statistical Modernization and Economic Baseline Establishment

Accurate measurement is foundational for effective industrial policy. Hong Kong must overhaul its current statistical frameworks to reflect the true economic contribution of

its education sector:

- **Establish an Education Satellite Account:** C&SD should immediately commission a satellite account study, mirroring the LSE scoping exercise, to comprehensively aggregate tuition fees, living expenditures of international students, and TNE revenues.
- **Revise Service Classification:** Education services must be moved out of the aggregated "Item 11.2: Other personal, cultural, and recreational services" and established as a standalone service export category within the Quarterly Report of Gross Domestic Product.
- **Enhance Survey Data Collection:** Integrate specific questions regarding "source of funds" and "living expenditure" into the annual student enrollment surveys conducted by the UGC and the Education Bureau to capture robust Mode 2 consumption data.
- **Mandate TNE Revenue Data Collection:** Mandate the collection of total operational revenue data (Mode 3) from all UGC-funded universities' GBA and offshore activities to accurately capture their economic value.

8. Conclusion

The transformation of Hong Kong's education sector into a leading international industry is not merely an aspiration; it is a strategic imperative for its future prosperity and global standing.

This paper has argued that Hong Kong stands at a pivotal juncture, where its world-class education sector, traditionally viewed as a public good, must be strategically re-envisioned as a high-value export industry. The current landscape, characterized by formidable academic strengths, a strategic geopolitical position, and a burgeoning global demand for quality education, is simultaneously constrained by outdated statistical methodologies, critical infrastructure deficits, and an absence of a cohesive, commercially oriented export strategy. The underestimation of education's multi-billion-dollar economic contribution, as highlighted by the "Statistical Illusion," has historically obscured its strategic value and hindered targeted policy support.

The comprehensive policy roadmap articulated herein provides a blueprint for this essential paradigm shift. It begins with the imperative of statistical modernization, advocating for the establishment of an Education Satellite Account and a revised service classification to accurately capture the full economic footprint of tuition, living expenditures, and TNE revenue. Building upon this credible baseline, the roadmap outlines a dual-track strategy: expanding inbound capacity through innovative solutions to the student housing crisis, such as enhanced "Hostels in the City" incentives and leveraging social loans, and strategically diversifying market sources beyond traditional concentrations to high-potential regions like ASEAN and BRI nations. Concurrently, an aggressive outbound strategy is proposed, focusing on scaling "Light Asset" TNE models, strategically exporting the unique HKDSE qualification, and leveraging Hong Kong's growing expertise in EdTech and teacher training.

Crucially, successful implementation hinges on a "whole-of-government" industrial strategy, spearheaded by a dedicated "Study Hong Kong" task force and a cross-bureau steering committee to ensure coordinated policy alignment across immigration, land, and fiscal domains. By embracing these strategic recommendations, Hong Kong can unlock significant economic diversification, generate high-value employment, and bolster its global competitiveness. It will solidify its status as Asia's preeminent knowledge capital, deepening its geopolitical relevance within the Greater Bay Area and Belt and Road regions, and significantly enhancing its soft power and diplomatic ties.

The time for this paradigm shift is now. With decisive action and strategic investment, Hong Kong can secure a vibrant and prosperous future, not merely as a financial hub, but as the "Global Schoolhouse" of Asia.

References

- Abraham, C. (2025, December 11). How the UAE is emerging as the new global education and career hub. *The Economic Times*. <https://economictimes.indiatimes.com/nri/study/how-the-uae-is-emerging-as-the-new-global-education-and-career-hub/articleshow/125911492.cms?from=mdr>
- Australian Government Department of Education. (2026, February 3). *Education export income - Financial year*. <https://www.education.gov.au/international-education-data-and-research/education-export-income-financial-year#:~:text=On%20this%20page:.,54620>
- Department for Education, UK Government. (2025, June 19). *UK revenue from education related exports and transnational education activity*. <https://explore-education-statistics.service.gov.uk/find-statistics/uk-revenue-from-education-related-exports-and-transnational-education-activity/2022>
- Guan, S., Jin, H., & Tian, X. (2025). Global Trends in Vocational Education: 2022–2024. *ECNU Review of Education*. <https://doi.org/10.1177/20965311251403494>
- Muller, M. (2022). Significance of hybrid learning model during COVID-19 pandemic at higher education institution. *European Journal of Teaching and Education*, 4(2). <https://doi.org/10.33422/ejte.v4i2.818>
- Mshenga, K., & Sun, Q. (2025). Challenges faced by international students in adapting to Chinese universities life: A case of Zhejiang Normal University. *Journal of Scientific Research and Reports*, 30(11). <https://doi.org/10.9734/jsrr/2024/v30i112630>
- Roslyn Kunin and Associates, Inc. (2023). Economic Impact of International Education in Canada — An Update of 2022 Impact. In *Government of*

Canada. <https://www.international.gc.ca/education/report-rapport/impact-2022/index.aspx?lang=eng>

Shih, L., & Cao, W. (n.d.). The Impact of the “Belt and Road Initiative” on International Scholarship Students. *Frontiers in Sociology*, 7(793018). <https://doi.org/10.3389/fsoc.2022.793018>

The Straits Times. (2026, February 2). Tighter curbs at major Western education hubs may steer more students to South Korea: Study. *The Straits Times*. <https://www.straitstimes.com/asia/east-asia/tighter-curbs-at-major-education-hubs-may-steer-more-students-to-south-korea-report>

UNESCO. (n.d.). *Other policy relevant indicators - education*. <https://databrowser.uis.unesco.org/browser/EDUCATION/UIS-EducationOPRI>