

# Rapid Aging in Hong Kong: Business Opportunities in the Silver Economy

31 MARCH 2025

CARRIE AU

ADVISORY DEPARTMENT  
JAPANESE CORPORATE BANKING DIVISION  
(HONG KONG)

T +852-2823-6091

E CARRIE\_NC\_AU@HK.MUFG.JP

**MUFG Bank, Ltd.**

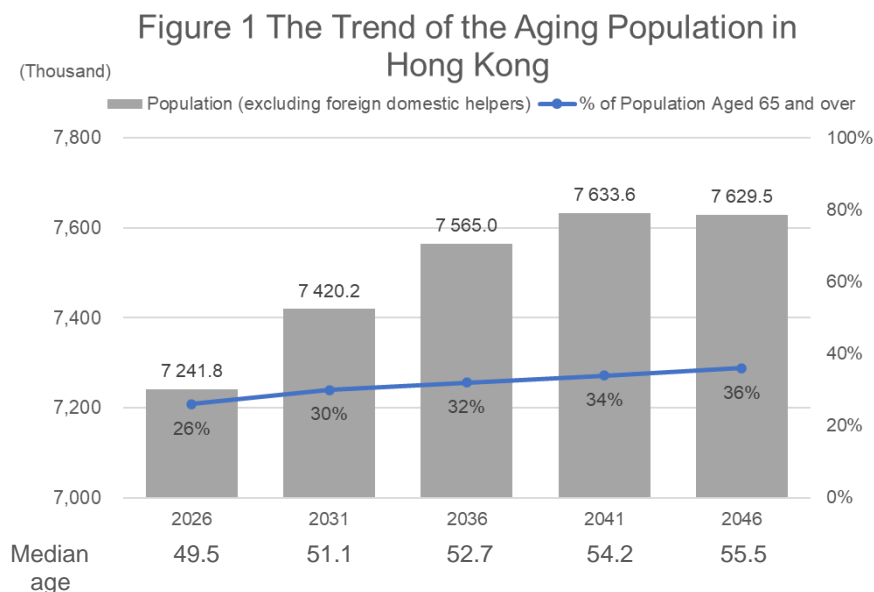
(Incorporated in Japan with limited liability)

A member of MUFG, a global financial group

Hong Kong is experiencing a rapid population aging. With 23% of the population aged 65 or above, the city has already entered a "super-aged society"<sup>1</sup>. It is projected that by 2046, population aged 65 and above will constitute approximately 36%<sup>2</sup> of the total population. This fast-paced demographic transition fundamentally challenges the socio-economic structure while also creating new business opportunities. The economic sector that provides services and products for the elderly is known as the "silver economy". This dynamic market covers diverse aspects such as nursing care, health management, leisure, and technology. This article examines the current challenges related to aging in Hong Kong, the Hong Kong government's measures and policy trends, and concludes with a focus on business opportunities for Japanese companies.

## BACKGROUND

The elderly population in Hong Kong continues to grow. According to projections by the Hong Kong Census and Statistics Department, the elderly population aged 65 and above (excluding foreign domestic workers) is expected to reach approximately 2.74 million by 2046, increasing from about 26% in 2026 to approximately 36% of the total population in 2046 (see Figure 1). This means that over one-third of Hong Kong's population will be elderly, presenting significant business opportunities in related markets. With the rapid growth of the silver market, the demand for products and services for the elderly is expected to expand steadily.



<sup>1</sup> The World Health Organization defines "super-aging societies" as countries with more than 20% of their population over the age of 65 years old

<sup>2</sup> Hong Kong Population Projections for 2022 to 2046 according to the October 2023 Issue of "Hong Kong Monthly Digest of Statistics" by the Hong Kong Census and Statistics Department

In terms of policy trends related to the silver economy, the Chief Executive proposed for the first time in the 2023 Policy Address that the Commerce and Economic Development Bureau (CEDB) established an Advisory Panel on Silver Economy. Additionally, in last year's Policy Address, the Deputy Chief Secretary for Administration led the establishment of a Working Group on promoting silver economy in November of the same year. The working group will implement measures in five areas, namely "boosting silver consumption", "developing silver industry", "promoting quality assurance of silver products", "enhancing silver financial and security arrangements", and "unleashing silver productivity".

## **BOOSTING SILVER CONSUMPTION**

The Hong Kong government is implementing a wide range of policies to promote silver consumption, aiming to protect the rights and interests of elderly consumers and collaborate with various sectors to build an elderly-friendly consumption environment. Also, businesses are encouraged to incorporate elements of the silver economy, such as offering discounts to the senior. Strengthening business cooperation will provide more platforms, making it easier for the elderly to choose suitable products in the market.

For instance, the 58th Hong Kong Brands and Products Expo held last December included "silver consumption privileges" for the elderly for the first time, such as free admission and additional discounts on product purchases to senior citizen card holders (or Hong Kong ID holders aged 65 or above). The government is encouraging silver consumption through various events, including exhibitions and large-scale retail fairs, to facilitate easier access to products and services for the elderly.

Furthermore, to ensure that elderly individuals with swallowing difficulties can still enjoy their meals, the Hong Kong Council of Social Service is promoting the "Guidelines of Care Food Standard". Care food are specially prepared foods usually soft in texture and designed to meet the dietary needs of individuals with swallowing difficulties. These care food products are popular among the elderly and are seen to have great market potential. The government actively collaborates with food sector to discuss ways to introduce senior-friendly menus and provide a selection of choices for elderly consumers to meet their dietary needs.

Moreover, it is vital to strengthen the protection of elderly consumers' rights and interests and prevent consumer disputes. Hong Kong has various laws, such as the Trade Descriptions Ordinance (Chapter 362), to protect consumer rights. These laws require accurate descriptions of products and services, which is expected to reduce the risk of elderly consumers being misled or defrauded. In terms of publicity and education, the Hong Kong Customs, Communications Authority, and Consumer Council continue to implement various policies to protect the rights and interests of consumers, including elderly consumers, through law enforcement measures, compliance promotion, and public education.

## **DEVELOPING SILVER INDUSTRY**

In the silver industry, support for the research and development (R&D) of aging-related technological products and services is being actively strengthened and promoted. The Innovation and Technology Commission provides funding to universities, R&D institutions, and companies to assist in the development of new technological applications for an aging society.

The "Innovation and Technology Fund for Application in Elderly and Rehabilitation Care", established by the government in 2018 with a budget of HKD 1 billion, has been subsidising eligible elderly and rehabilitation service units for the purchase, rental, and trial use of technology products. As of the end of 2024, approximately 2,000 service units have been approved for grants totalling around HKD 750 million to purchase or lease over 21,000 technology products. In the 2023 Policy Address, the government announced an additional HKD 1 billion injection for 2024-25, expanding the scope to include elderly technology products suitable for home use.

In addition to the funding schemes, the government aims to bring together the universities, local public R&D institution and private enterprises in conducting market-oriented applied research and technology cooperation. This initiative seeks to promote commercialisation of products catering to the elderly to support product provision and market expansion by the business sector. For instance, the Logistics and Supply Chain MultiTech R&D Centre<sup>3</sup> has

---

<sup>3</sup> Logistics and Supply Chain MultiTech R&D Centre (LSCM) is dedicated to fostering the adoption of innovative technology to enhance the efficiency in the logistics and supply chain as well as other industries. The aim is to continuously facilitate technology adoption in the industries

developed a remote occupational therapy and rehabilitation training system called “Tele-practice Platform System”, which has been put into practical use in multiple local community centres. The Hong Kong Nano and Advanced Materials Institute<sup>4</sup> has developed energy-absorbing and impact protection materials that can be used in fall prevention mats for the elderly.

## **PROMOTING QUALITY ASSURANCE OF SILVER PRODUCTS**

In the realm of quality assurance, the governments of Guangdong, Hong Kong, and Macau have been working to jointly establish "GBA Standards"<sup>5</sup> for products and services covering items in the fields of food quality and safety, transportation, mechanical and electrical products, healthcare, elderly care, education, and e-sports, etc. Currently, over 200 "GBA Standards" have been promulgated, including five elderly care related services. Organisations and enterprises are encouraged to actively participate in the formulation of "GBA Standards" related to silver products and services, improving the quality of related products and benefiting more elderly consumers.

As “GBA standards” are expected to become increasingly widespread in the future, relevant standards and certifications are crucial for senior consumers in identifying and selecting high-quality silver products and services. For companies, the "GBA Standards" will serve as a benchmark for product development. Obtaining certification can enhance brand value and increase the recognition and appeal of products for the elderly. Besides, products that comply with GBA standards are expected to have easier access to the mainland Chinese market.

## **ENHANCING SILVER FINANCIAL AND SECURITY ARRANGEMENTS**

To strengthen financial management and security of the elderly, the Hong Kong Mortgage Corporation Limited (HKMC) launched the "HKMC Retire 3" in 2021. The brand includes three products: the "HKMC Annuity Plan," which converts accumulated savings into a lifelong and stable retirement income; the "Reverse Mortgage Program," which enables people aged 55 or above to use their residential properties in Hong Kong as security to obtain reverse mortgage loans to receive monthly income while continuing to live in their original residence; and the "Policy Reverse Mortgage Program," which provides annuities using life insurance policies as collateral. These products aim to provide retirees with immediate, stable, and lifelong income. Other than HKMC's products, the government also issues silver bonds, offering stable investment options for the elderly.

Beyond financial products, educational and anti-fraud initiatives are strengthened to protect the elderly from financial scams and ensure safe financial activities. The Securities and Futures Commission (SFC) and the Investor and Financial Education Council (IFEC) provide education through public activities, community outreach, social media platforms, etc. The IFEC's education programs emphasize "selecting suitable financial products", "making the most of retirement savings", "building resilience against financial adversities" and "anti-financial scam". The Hong Kong Monetary Authority (HKMA), in collaboration with the Hong Kong Police Force and the Hong Kong Association of Banks, introduced a high-risk alert mechanism in November 2023 to warn bank customers of high-risk transactions using FPS proxy IDs based on police data. This initiative has been widely expanded to online banking, counter transactions, and ATM transactions, covering the majority of daily transfers.

## **UNLEASHING SILVER PRODUCTIVITY**

To leverage the labour potential of the elderly, the government supports measures such as extending the working age, offering flexible working arrangements, and creating suitable working environments for the elderly. Recognizing the value of the silver labour force, the Employees Retraining Board (ERB) offers around 700 training courses covering skills common to 28 industries, including courses specifically for those aged 50 and above.

Moreover, the Labour Department launched a three-year “Re-employment Allowance Pilot Scheme” in 2024, to increase the incentive to elderly and middle-aged people to rejoin the workforce, for full-time or part-time work. Participants who have worked for 12 consecutive months are eligible for a re-employment allowance of up to HKD 20,000.

---

<sup>4</sup> Hong Kong Nano and Advanced Materials Institute(NAMI) conducts market-driven, demand-led R&D in nanotechnology and advanced materials for enabling technology upgrading of the industries in Hong Kong and the Mainland

<sup>5</sup> GBA Standards are a set of guidelines aiming drive the harmonisation of rules in relevant sectors in the region and improve product and service quality based on the Memorandum of Understanding (MOU) signed in 2023

## COMMENTS

Hong Kong's silver economy is expanding rapidly as the city is entering a super-aged society. By responding to the diverse needs and preferences of the elderly as well as considering local characteristics, it is possible to create an environment that enhances the welfare of Hong Kong's elderly population while fostering economic growth.

The demand in the caregiving sector is expanding swiftly alongside the increasing elderly population, providing significant business opportunities for Japanese companies. For instance, Japanese companies could collaborate with the Hong Kong government, local universities, and research institutions, utilizing funding schemes to develop Cantonese-compatible remote monitoring systems, health management apps, and home-use technological products. Also, Japan's advanced smart home technologies could be adapted to Hong Kong's regional and linguistic characteristics, offering substantial potential for application. Furthermore, Japan's advanced robotics technology is highly anticipated in the Hong Kong market. In Hong Kong, it is common to employ live-in foreign helpers, and many elderly prefer home care over nursing homes. Therefore, it is expected to be a growing demand for home care robots that reduce the burden on families and helpers, as well as communication robots that alleviate the loneliness of the elderly. These technologies are crucial not only for physical care but also for improving the quality of life for the elderly and their families.

The knowledge and technologies gained in the Hong Kong market can be expanded to Guangdong Province, Macau, and other areas in the GBA, offering wider market expansion and increase competitiveness. In fact, "cross-border retirement" is becoming a new trend. Cross-border retirement in the GBA enables the elderly from Hong Kong and Macau to access to better healthcare and a lower cost of living, enhancing retirees' quality of life. Leveraging Hong Kong government grants to develop products and services that comply with GBA Standards can unlock new business opportunities for Japanese companies not only in Hong Kong but also in the GBA.

Hong Kong's silver economy is full of opportunities for innovation and investment. Japanese companies have a distinct advantage in transforming elderly care by leveraging their expertise to develop cutting-edge solutions that cater to the needs of the aging population. Some Japanese companies have already entered Hong Kong's silver industry, engaging in areas such as caregiving, AI monitoring systems, and health management devices, highlighting the significant potential of the Hong Kong market (examples are provided in the Appendix). This is viewed not just as an opportunity for business growth, but also as a chance to make a lasting impact on society.

## APPENDIX

Examples of Japanese Companies in Hong Kong's Elderly Care Industry (in alphabetical order)

Company Name	Products/Services
NEC	<ul style="list-style-type: none"><li>■ Social Robot</li><li>■ Face Recognition Anti-Wandering System</li><li>■ Home Based Aged Care Solution</li></ul>
OMRON	<ul style="list-style-type: none"><li>■ Upper Arm Blood Pressure Monitor</li><li>■ Portable ECG Device</li></ul>
Shun Hing	<ul style="list-style-type: none"><li>■ Panasonic "Resyone Plus" Robotic Care Bed/Wheelchair</li><li>■ Wellness Nordic Relax Chair</li><li>■ Bed monitoring system</li><li>■ IAQ Management System</li></ul>
Sojitz	<ul style="list-style-type: none"><li>■ Mobility support robot Hug</li></ul>

Source: Public information and the Gerontech and Innovation Expo cum Summit 2024

	Publish date	Title
No.1 2025	2025/2/26	<a href="#">The Significance of ESG Initiatives in Hong Kong – A Path to Sustainable Growth</a>
No.3 2024	2024/11/29	<a href="#">The Second Amendment to CEPA Brings New Prospects for Hong Kong's Economy</a>
No.2 2024	2024/10/23	<a href="#">Tax Incentives for Intellectual Property Income – Patent Box Regime</a>

- Please refer to the below links for previous News Focus:

(English) [https://www.bk.mufg.jp/report/chi200402/Archive\\_ENG.pdf](https://www.bk.mufg.jp/report/chi200402/Archive_ENG.pdf)

(Japanese) [https://www.bk.mufg.jp/report/chi200402/Archive\\_JPN.pdf](https://www.bk.mufg.jp/report/chi200402/Archive_JPN.pdf)

- These materials have been prepared by MUFG Bank, Ltd. ("the Bank") for information only. The Bank does not make any representation or warranty as to the accuracy, completeness or correctness of the information contained in this material.
- Neither the information nor the opinion expressed herein constitute or are to be construed as an offer, solicitation, advice, or recommendation to buy or sell deposits, securities, futures, options or any other financial or investment products. The Bank [MUFG Bank] is a licensed bank regulated by the Hong Kong Monetary Authority and registered with the Securities and Futures Commission to carry out Type 1 and Type 4 regulated activities in Hong Kong.
- All views herein (including any statements and forecasts) are subject to change without notice, its accuracy is not guaranteed; it may be incomplete or condensed and it may not contain all material information concerning the parties referred to in this material. None of the Bank, its head office, branches, subsidiaries, and affiliates are under any obligation to update these materials.
- The information contained herein has been obtained from sources the Bank believed to be reliable, but the Bank does not make any representation or warranty nor accept any responsibility or liability as to its accuracy, timeliness, suitability, completeness, or correctness. Therefore, the inclusion of the valuations, opinions, estimates, forecasts, ratings, or risk assessments described in this material is not to be relied upon as a representation and / or warranty by the Bank. The Bank, its head office, branches, subsidiaries and affiliates and the information providers accept no liability whatsoever for any direct or indirect loss or damage of any kind arising out of the use of all or any part of these materials.
- Historical performance does not guarantee future performance. Any forecast of performance is not necessarily indicative of future or likely performance of any product mentioned in this material.
- The Bank retains copyright to this material and no part of this material may be reproduced or re-distributed without the written permission of the Bank and the Bank, its head office, branches, subsidiaries, or affiliates accepts no liability whatsoever to any third parties resulting from such distribution or re-distribution.
- The recipient should obtain separate independent professional, legal, financial, tax, investment, or other advice, as appropriate.

Copyright 2025 MUFG Bank, Ltd. All rights reserved.