

**Special Meetings of the Finance Committee of the Legislative Council  
to Examine the Estimates of Expenditure 2026-27  
Financial Services**

(3:25 pm - 4:35 pm on 14 April 2026)

**Speaking Note of the Secretary for Financial Services and the Treasury**

Chairman and Honourable Members,

To contribute to the national strategic goal of “accelerating China’s development as a financial powerhouse” and align with the 15th Five-Year Plan, we will focus on four major directions, namely **“Promoting Reform”**, **“Expanding Infrastructure”**, **“Enhancing Capacity”** and **“Building Connectivity”**.

(I) **We are committed to optimizing market rules and regulatory regimes through reform to enhance efficiency and competitiveness.**

2. HKEX (Hong Kong Exchanges and Clearing Limited) has already commenced market consultation on various proposals, such as the revision of listing requirements for enterprises with weighted voting right structures, facilitation of secondary listing of overseas issuers and enhancement of the initial public offering process, and will implement the enhanced structured product listing framework as well as consult the market on the specific implementation proposals for the settlement cycle of T+1. In addition, we will reform the trading unit regime and launch the uncertificated securities market regime this year in collaboration with the SFC (Securities and Futures Commission), HKEX and the industry. The next phase will cover proposals including the enhancement of the continuing obligation regulatory framework and the inclusion of more overseas markets as recognised exchanges.

3. The SFC and the HKMA (Hong Kong Monetary Authority) are implementing the Roadmap for the Development of Fixed Income and Currency Markets, facilitating issuance and liquidity, expanding offshore RMB business and next-generation infrastructure.

4. MPFA (Mandatory Provident Fund Schemes Authority) will enhance the process of recovering default contributions from employers, and

enhance the flexibility of making MPF investments. IA (Insurance Authority) will enhance the risk-based capital regime for insurance companies, adjusting risk parameters for the general insurance business and providing capital relief for infrastructure investments.

5. Besides, we will introduce a bill this year to establish licensing regimes for, among others, digital asset dealing and custodian service providers. We will also set up an accelerator to expedite market innovation, protecting the investors and facilitating the diversification of products and services to professional investors.

(II) We are actively **expanding financial infrastructure** to lay a solid foundation for long-term development.

6. The HKMA's CMU OmniClear Holdings Limited (CMU OmniClear) and the HKEX are currently studying the establishment of a one-stop multi-asset class post-trade securities infrastructure to cover Mainland and Hong Kong equity and debt securities. This will facilitate cross-product and cross-boundary collateral connectivity. The CMU OmniClear aims to establish a digital asset platform by the end of this year. It will support the issuance and settlement of digital bonds. The Integrated Fund Platform under the HKEX will also expand its services this year, covering fund sales procedures such as payment and settlement, to enhance market efficiency and lower transaction costs.

7. We are setting up a central clearing system for gold in Hong Kong, and have signed a co-operation agreement with the Shanghai Gold Exchange in January this year to establish a high-level and collaborative governance structure for the system. The system is scheduled to commence trial operations within this year. We will also exploring the offering of tax incentives to build a comprehensive and efficient ecosystem for gold.

(III) We will **enhance market capacity** and attractiveness through tax measures and product expansion.

8. On the internationalization of the Renminbi (RMB), the Government will issue RMB bonds on a regular basis to improve the yield curve, promoting more convenient foreign exchange quotations and transactions between RMB and regional currencies.

9. We issued the third batch of tokenised bonds with an issuance size of \$10 billion in November last year, with an option to settle via tokenised central bank money. The HKMA will also encourage more digital bond

issuances in Hong Kong through the Digital Bond Grant Scheme.

10. On asset and wealth management, we will enhance the preferential tax regimes for funds and single family offices. We will introduce an amendment bill in the first half of this year, with a view to effecting the implementation from the year of assessment 2025/26.

11. To promote the REIT market, we will introduce a statutory regime to facilitate REITs to conduct privatisation and corporate restructuring, and will provide a stamp duty waiver for the transfer of non-residential properties into REITs before listing.

12. To boost Hong Kong's appeal as a two-way platform for "bringing in and going global", we will announce additional tax incentives and a pre-approval mechanism for Corporate Treasury Centres in the middle of this year. At the same time, we will step up our promotional efforts to attract companies for re-domiciliation.

13. On international cooperation, we are actively "**building connectivity**", fully supporting the Asian Infrastructure Investment Bank to set up an office in Hong Kong. Hong Kong will hold for the first time the APEC Finance Ministers' Meeting this year and will continue hosting various financial mega events, including the Wealth for Good in Hong Kong Summit and Hong Kong FinTech Week x StartmeupHK Festival 2026. The Asian Financial Forum will celebrate its 20th anniversary next year, and we will enrich the element of finance empowering businesses ("Finance+") at the forum.

14. Chairman, my colleagues and I will be happy to answer Members' questions. Thank you, Chairman.