



Policy Address Team
26/F, West Wing, Central Government Offices
2 Tim Mei Avenue
Tamar
Hong Kong

8 August 2025

Dear Sir

Re: ACCA's submission to 2025 Policy Address Public Consultation

As a professional body deeply rooted in Hong Kong for 75 years, with global recognition for excellence and integrity, ACCA (the Association of Chartered Certified Accountants) Hong Kong is honoured to present our recommendations for the 2025 Policy Address Public Consultation. Leveraging insights from our extensive and diverse membership base, we stand ready to assist the Government as a committed partner in driving Hong Kong's sustainable growth and prosperity.

It is imperative that a dynamic approach, involving ongoing assessment and enhancement of policies, be adopted to accurately measure impacts and secure the successful realisation of objectives in the long run. Our recommendations support three key objectives:

- A. Driving reform and innovation in Hong Kong,
- B. Boosting the economy of Hong Kong, and
- C. Improving livelihoods in Hong Kong.

A. Driving reform and innovation in Hong Kong

1. Accelerate tokenisation of real-world assets (RWAs)

The Policy Statement 2.0 on the Development of Digital Assets in Hong Kong underscores the Government's commitment to positioning Hong Kong as a leading global hub for innovation in the digital asset sector. While Hong Kong is actively pursuing initiatives to develop infrastructure for tokenising securities and other investment products, these objectives fall within the broader category of RWA, encompassing a wide range of assets that can be tokenised, for example tangible assets like properties and intangible assets like carbon credits. We recommend the Government to accelerate the establishment of a framework that facilitates interoperability between the traditional financial ecosystem and new ecosystem on blockchain, driving a common standard for the payment and transfer of tokenised assets in the Hong Kong market. This can be achieved through enhancing the legal framework, incentivising market participants, and raising public awareness through educational

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initiatives. Ethical considerations should be at the forefront of these developments to ensure the integrity and trustworthiness of the digital asset ecosystem in Hong Kong.

2. Expedite the development of cross-border personal data flow in the Greater Bay Area (GBA) and expand to include industrial/commercial data

Building on Hong Kong's existing initiatives in cross-border data flows and the newly established Standard Contract for the Cross-boundary Flow of Personal Information Within the GBA, we recommend that the Government to prioritise the advancement of the Shenzhen-Hong Kong cross-boundary data validation platform. This acceleration is vital for overcoming existing challenges related to data governance, technical standards, and application scenarios across the 11-city cluster. The platform would serve as a centralised hub for secure, standardised data sharing while respecting jurisdictional differences, accelerating regional integration and digital economy growth.

Besides personal data, a key pain point for Hong Kong companies operating in the GBA is the restrictive and fragmented data access regime to industrial/commercial data, which creates operational inefficiencies – delays in accessing financial records, supply chain data, and market insights hinder business agility. Moreover, Hong Kong's innovation ecosystem is constrained by limited access to mainland industrial and research & development data, stifling competitiveness in sectors like professional services, trade, and finance. By prioritising industrial/commercial data flows (in addition to personal data), the GBA can establish a groundbreaking framework for cross-jurisdictional data collaboration, one that fosters innovation while safeguarding privacy and national security. This approach would position Hong Kong as a seamless conduit for GBA commercial activity, reinforcing its role as an international business hub.

3. AI adoption fast lane initiative in BUD Fund to accelerate SME growth in Hong Kong

As at March 2025, there were around 360,000 SMEs in Hong Kong, accounting for more than 98% of the total number of enterprises. While the Dedicated Fund on Branding, Upgrading, and Domestic Sales (BUD Fund) stands as a pivotal government initiative aiding Hong Kong SMEs in brand development, operational restructuring, and upgrades, the application procedures can present complexities. To streamline and bolster the efficacy of this support, we propose the establishment of an 'AI Adoption Fast Lane' within the BUD framework, dedicated to expediting applications focused on AI-driven automation, analytics, and customer experience enhancements. This strategic enhancement can transform the BUD Fund into a catalyst for AI-powered advancement within Hong Kong's vibrant SME sector.

4. Link scholarships to post-study employment for non-local students in Hong Kong

Building on the success of the 'Study in Hong Kong' brand, we propose enhancing existing scholarship programmes, such as the Belt and Road Scholarship, by introducing post-study

work commitments for non-local students, creating a direct pipeline to alleviate Hong Kong's talent shortage. Under this initiative, recipients of government-funded scholarships would agree to work in Hong Kong for 3 to 5 years after graduation, with employment aligned to their field of study (eg, financial services, healthcare services, or innovation and technology). This ensures that Hong Kong's investment in education translates into tangible workforce gains, particularly in sectors facing acute skill gaps. By embedding this requirement into established scholarship frameworks, we leverage our world-class education system on attracting outstanding students, and mandatory local employment secures their contributions to Hong Kong's long-term competitiveness.

B. Boosting the economy of Hong Kong

5. Propose adjustment in new CIES investment cap aims to boost real estate market activity in Hong Kong

In alignment with the directives outlined in the 2024 Policy Address, individuals applying for the New Capital Investment Entrant Scheme (New CIES) are currently allowed to invest in residential properties. Presently, this scheme mandates that the transaction value for a single property must amount to HK\$50 million or higher, with a ceiling of HK\$10 million on the total real estate investment that contributes towards meeting the minimum investment requirement. To stimulate sales within the property market, we propose a revision to the existing cap, advocating for an increase to HK\$25 million. This adjustment, equivalent to half of the minimum transaction value for an eligible single property, is expected to achieve a dual purpose: encouraging more entrants and stimulating activities within the real estate sector, ultimately enhancing market dynamics and bolstering investment inflows.

6. Enhance Kai Tak Cruise Terminal's connectivity & visitor experience and position Kai Tak Sports Park as Asia's premier venue

To elevate tourist arrivals via cruise visits and maximise the Kai Tak Cruise Terminal's potential, we propose enhancing its surrounding infrastructure. This enhancement may include initiatives like establishing water taxi routes linking the terminal to key districts such as Tsim Sha Tsui and Central. Drawing inspiration from the offerings at Singapore Changi Airport, where layover travellers enjoy complimentary guided tours of iconic locales during stopovers ranging from 5.5 to 24 hours, a similar concept could be applied to cruise passengers in Hong Kong. Themed excursions revolving around movie filming locations or in-depth tourism experiences could be curated to captivate and entertain these visitors.

For positioning the Kai Tak Sports Park as a premier venue in Asia for sports, concerts, and exhibitions, we suggest forging strategic alliances with global event promoters and implementing technological and policy-driven measures to combat ticket scalping. For instance, introducing ID-linked ticket purchases for VIP and premium seating, allowing for

refundable name changes. Taking cues from the proposed US legislation, the Resale Act (B 26-224) in Washington D.C., designed to curb ticket scalping by capping resale prices at 10% above face value, prohibiting speculative ticket sales, and mandating registration for individuals reselling over 50 tickets annually, could serve as a model for our own anti-scalping endeavours. Reinforcing Hong Kong as a world-class gateway for tourism and live events will help attract more high-spending visitors and support Hong Kong's economic resilience.

7. Enhance Hong Kong's Appeal for Dual Listings & Regional Headquarters (RHQ)

To fortify Hong Kong's standing as an international financial centre, we advocate for a comprehensive approach to attract dual listings and Regional Headquarters (RHQs), capitalising on current policy advantages and market trends. This entails aligning disclosure standards to diminish ambiguity and reinforce the city's regulatory environment. Moreover, expediting visa processing under the Immigration Arrangements for Non-local Graduates for RHQ staff and offering concessionary tax rate on certain qualifying income (in line with Singapore's RHQ programme) can be pivotal strategies in this initiative.

C. Improving livelihoods in Hong Kong

8. Prioritise health screenings and expand health programmes

In the fiscal year 2025-26, the projected recurrent government expenditure on healthcare amounts to HK\$115.3 billion, representing 19% of the total estimated recurrent government expenditure. Early diagnosis and intervention can substantially decrease the financial burden of patient treatment and enhance the likelihood of recovery. The existing Colorectal Cancer Screening Programme, Cervical Screening Programme (CSP), Breast Cancer Screening Pilot Programme (BCSPP), Diabetes and Hypertension Pilot Scheme have effectively identified and treated patients early, leading to a more favourable prognosis. We recommend prioritising screenings based on age, gender, and chronic disease status. Additionally, we propose extending programmes to cover pneumonia and heart diseases, two major causes of death following cancer.

Moreover, the existing Voluntary Health Insurance Scheme (VHIS) currently provides a tax deduction ceiling of HK\$8,000 per insured individual annually. To incentivise greater adoption of private healthcare via VHIS, government could consider raising the annual deduction limit to HK\$10,000 and introducing additional deductions for preventive healthcare expenses (such as screenings and vaccinations) to promote early intervention. Notably, the deduction ceiling has remained stagnant since the assessment year 2019/2020, despite escalating insurance premiums.

9. Build elderly living communities with integrated healthcare & smart infrastructure

Hong Kong's ageing population demands innovative solutions. With over one-third of residents projected to be elderly by 2043, we advocate for the development of integrated living communities that seamlessly blend housing, healthcare, and cutting-edge technology. In conjunction with existing initiatives like the Senior Citizen Residences Scheme and The Tanner Hill projects, the government could explore offering incentives, such as land subsidies, reduced fees for change of land or building use, to encourage developers to establish middle to premium-tier senior living communities. These developments could mandate a mix of affordable units and incorporate elderly-friendly infrastructure, catering to the diverse needs of Hong Kong's elderly population. Residents would benefit from integrated healthcare services, social and recreational amenities, and smart community infrastructure. This holistic approach not only generates employment opportunities and eases pressure on healthcare services but also combats social isolation and loneliness among seniors.

10. Update Continuing Education Fund (CEF) to include online/distant learning

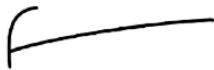
To ensure Hong Kong remains at the forefront of educational innovation, we recommend updating the Continuing Education Fund (CEF) to include online and distance learning programmes. Currently, these modes of education are excluded from the CEF support. Expanding the CEF's coverage to include them would provide essential financial support to students and motivate professionals to pursue continuous learning. By embracing modern educational trends, this update will encourage ongoing personal and professional development, and foster a culture of lifelong learning among its populace, ultimately contributing to individual growth and advancement in the region.

11. Explicitly include ACCA Qualification in Hong Kong's Talent List

The current Hong Kong Talent List specifies that qualifications recognised include those conferred by the HKICPA, the Chinese Institution of Certified Public Accountants, or an overseas accountancy body under a reciprocal membership agreement with the HKICPA. However, this wording poses challenges for overseas ACCA holders who may be unsure about the eligibility of their qualification. We strongly recommend that the Government explicitly adds the ACCA Qualification to Hong Kong's Talent List. With a membership of 252,500 professionals worldwide, many individuals could potentially apply if they were aware of their qualification's recognition. This seemingly minor adjustment would significantly enhance Hong Kong's attractiveness to global accounting professionals.

Thank you for considering our recommendations. ACCA is committed to supporting the Government's efforts in the strategic developments of Hong Kong with a view to leveraging the opportunities from national and global developments. For further discussion or clarification regarding our submission, please do not hesitate to contact Adrian Chong, Policy Manager of ACCA, at 2973 1108.

Yours faithfully

A handwritten signature in black ink, consisting of a stylized 'H' followed by a long horizontal stroke.

Stanley Ho
Chairman
ACCA Hong Kong

Cc: Mr Chan Mo-po, Paul, GBM, GBS, MH, JP, Financial Secretary