

**Head 148 — GOVERNMENT SECRETARIAT: FINANCIAL SERVICES AND
THE TREASURY BUREAU (FINANCIAL SERVICES BRANCH)**

Controlling officer: the Permanent Secretary for Financial Services and the Treasury (Financial Services) will account for expenditure under this Head.

Estimate 2025–26 **\$435.5m**

Establishment ceiling 2025–26 (notional annual mid-point salary value) representing an estimated 92 non-directorate posts as at 31 March 2025 reducing by one post to 91 posts as at 31 March 2026..... **\$75.2m**

In addition, there will be an estimated 11 directorate posts as at 31 March 2025 rising by one post to 12 posts as at 31 March 2026.

Commitment balance..... **\$3,136.4m**

Controlling Officer’s Report

Programmes

Programme (1) Financial Services
Programme (2) Subvention: Financial Services Development Council

These programmes contribute to Policy Area 1: Financial Services (Secretary for Financial Services and the Treasury).

Detail

Programme (1): Financial Services

	2023–24 (Actual)	2024–25 (Original)	2024–25 (Revised)	2025–26 (Estimate)
Financial provision (\$m)				
<i>eMPF platform</i>	101.9	470.7	447.6 (–4.9%)	73.1 (–83.7%) <i>(or –84.5% on 2024–25 Original)</i>
<i>Other items</i>	367.3	463.3	632.9 (+36.6%)	315.5 (–50.2%) <i>(or –31.9% on 2024–25 Original)</i>
Total	469.2	934.0	1,080.5# (+15.7%)	388.6@ (–64.0%) <i>(or –58.4% on 2024–25 Original)</i>

The revised estimate for 2024–25 is higher than the original estimate for 2024–25, mainly due to the one-off provision of \$200 million to the Accounting and Financial Reporting Council (AFRC) in 2024–25.

@ The provision for 2025–26 is \$691.9 million (64.0%) lower than the revised estimate for 2024–25, mainly due to –

(a) the decreased cash flow requirement of \$374.5 million for the eMPF Platform in 2025–26 as most of the system development costs have been settled in previous financial years, and the eMPF Platform Company Limited has to repay a one-off cash advance to the Government; and

(b) lower funding requirement for various funding schemes/initiatives under the “Funding for promoting and facilitating the development of the financial services sector” in 2025–26 as compared with 2024–25.

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Aim

2 The Financial Services Branch aims to:

- maintain and enhance Hong Kong's status as a major international financial centre;
- maintain the integrity and stability of the financial system of Hong Kong;
- ensure orderly and efficient operation as well as prudent and appropriate regulation of the financial markets; and
- provide a business environment which is open, fair and conducive to financial market developments.

Brief Description

3 The Branch seeks to achieve the above aims through:

- formulating policies and/or introducing legislative proposals covering the banking system; securities and futures market; asset and wealth management sector; insurance industry; Mandatory Provident Fund schemes operation; companies, trusts, money lending, insolvency and accountancy matters;
- enhancing financial co-operation with the Mainland;
- co-ordinating and facilitating the implementation of new initiatives on financial infrastructure to enhance Hong Kong's competitiveness;
- facilitating market innovation to deepen and broaden the market, including formulating policies on financial technology (Fintech) development and green finance;
- assisting the Financial Secretary in overseeing the relevant regulatory authorities, including the Securities and Futures Commission, the Insurance Authority, the Mandatory Provident Fund Schemes Authority (MPFA) and the AFRC; and
- overseeing the operation of the Census and Statistics Department, the Companies Registry and the Official Receiver's Office.

4 The aims of the programme were broadly achieved in 2024.

Matters Requiring Special Attention in 2025–26

5 During 2025–26, the Branch will:

- engage the industry and formulate proposals to promote the further development of the financial services industry;
- advance financial co-operation with the Mainland, including fulfilling the goals set out in the National 14th Five-Year Plan and promoting Hong Kong's efforts in initiatives in relation to the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) development in respect of the financial services sector;
- promote the competitiveness and sustainable development of the stock market;
- promote the issuance and trading of Renminbi securities in Hong Kong;
- promote gold trading and the development of gold storage facilities;
- promote the development of the bond market;
- promote the development of the asset and wealth management sector, including attracting more family offices to set up operation or expand their business in Hong Kong, reviewing the existing tax concession measures applicable to the asset and wealth management sector, and implementing the New Capital Investment Entrant Scheme;
- promote the development of green and sustainable finance in Hong Kong, including overseeing the Pilot Green and Sustainable Finance Capacity Building Support Scheme and the Green and Sustainable Fintech Proof-of-Concept Funding Support Scheme, as well as fostering the development of sustainability disclosure ecosystem, in tandem with national and international development;
- promote the development of Fintech in Hong Kong, including overseeing the Pilot Scheme on Training Subsidies for Fintech Practitioners, and implementing the GBA Fintech Two-way Internship Scheme for Post-secondary Students;
- work with the MPFA and the eMPF Platform Company Limited to develop the eMPF Platform to facilitate standardisation, streamlining and automation of administration processes of Mandatory Provident Fund registered schemes;
- work with the AFRC to implement the independent regulatory regime for and promote the development of the accounting profession;

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- promote the development of the insurance industry, including monitoring the implementation of the risk-based capital regime;
- enhance Hong Kong’s regulatory regime for combatting money laundering and terrorist financing by, inter alia, overseeing the implementation of a licensing regime on virtual asset service providers and the relevant measures, extending the regulatory scope to cover over-the-counter trading of virtual assets and stablecoin issuers, stepping up the efforts in investor education and participate actively in inter-governmental organisations such as the Financial Action Task Force;
- review the existing regulation of licensed money lenders and public education, and conduct public consultation in the first half of 2025, with a view to stepping up efforts in addressing the issue of excessive borrowing;
- strengthen banking regulation in line with international standards, including implementation of the Basel III requirements;
- implement the company re-domiciliation regime;
- implement new arrangements for promoting paperless corporate communication for Hong Kong companies;
- enhance the efficiency of administration of corporate insolvency and personal bankruptcy; and
- operationalise the resolution regime established under the Financial Institutions (Resolution) Ordinance (Cap. 628).

Programme (2): Subvention: Financial Services Development Council

	2023–24 (Actual)	2024–25 (Original)	2024–25 (Revised)	2025–26 (Estimate)
Financial provision (\$m)	31.7	47.5	47.5 (—)	46.9 (–1.3%)
				(or –1.3% on 2024–25 Original)

Aim

6 The aim is to support the Financial Services Development Council (FSDC) in conducting strategic studies, providing advice, fostering market development and nurturing talent, with a view to enhancing Hong Kong’s competitiveness in the international financial market.

Brief Description

7 The FSDC was established in January 2013 to support the sustained development of Hong Kong’s financial services industry. It was incorporated as a company limited by guarantee in September 2018 to enhance its operational efficiency and flexibility. The objectives of the FSDC are to:

- advise the Government on strategies and measures to expand the scope of Hong Kong’s financial markets and enhance the competitiveness of Hong Kong as an international financial centre;
- support the financial services industry in developing the core competence and knowledge of its practitioners; and
- promote Hong Kong’s financial services industry and Hong Kong as an international financial centre in the Mainland and overseas.

8 The FSDC engages the industry and carries out its mission under three broad themes of research, market promotion and human capital development.

Matters Requiring Special Attention in 2025–26

9 During 2025–26, the FSDC will:

- engage the industry and provide strategic advice for the further development of Hong Kong as an international financial centre;
- promote Hong Kong’s financial services industry locally, in the Mainland and overseas through organising and participating in a wide range of marketing campaigns;
- help nurture human capital for Hong Kong’s financial services industry with outreach programmes for students and practitioners; and
- offer ongoing training, knowledge exchange and networking opportunities for family office practitioners and next-generation asset owners through the Hong Kong Academy for Wealth Legacy established under the FSDC.

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ANALYSIS OF FINANCIAL PROVISION

	2023–24 (Actual) (\$m)	2024–25 (Original) (\$m)	2024–25 (Revised) (\$m)	2025–26 (Estimate) (\$m)
Programme				
(1) Financial Services	469.2	934.0	1,080.5	388.6
(2) Subvention: Financial Services Development Council	31.7	47.5	47.5	46.9
	<hr/> 500.9	<hr/> 981.5	<hr/> 1,128.0 (+14.9%)	<hr/> 435.5 (-61.4%)
				(or -55.6% on 2024–25 Original)

Analysis of Financial and Staffing Provision

Programme (1)

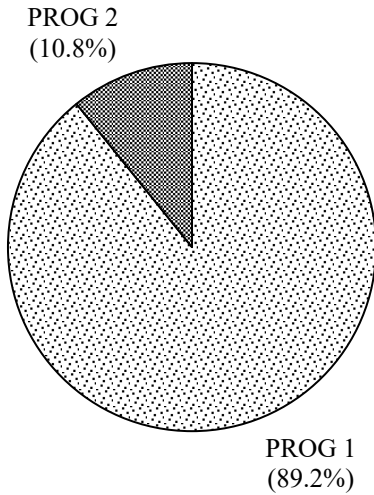
Provision for 2025–26 is \$691.9 million (64.0%) lower than the revised estimate for 2024–25. This is mainly due to (a) the decreased cash flow requirement of \$374,500,000 for the eMPF Platform in 2025–26 as most of the system development costs have been settled in previous financial years, and the eMPF Platform Company Limited has to repay a one-off cash advance to the Government; and (b) lower funding requirement for various funding schemes/initiatives under the “Funding for promoting and facilitating the development of the financial services sector” in 2025–26 as compared with 2024–25.

Programme (2)

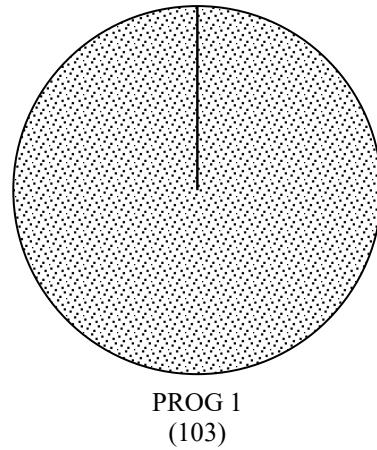
Provision for 2025–26 is \$0.6 million (1.3%) lower than the revised estimate for 2024–25. This is mainly due to the decreased provision for operating expenses.

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Allocation of provision to programmes (2025-26)

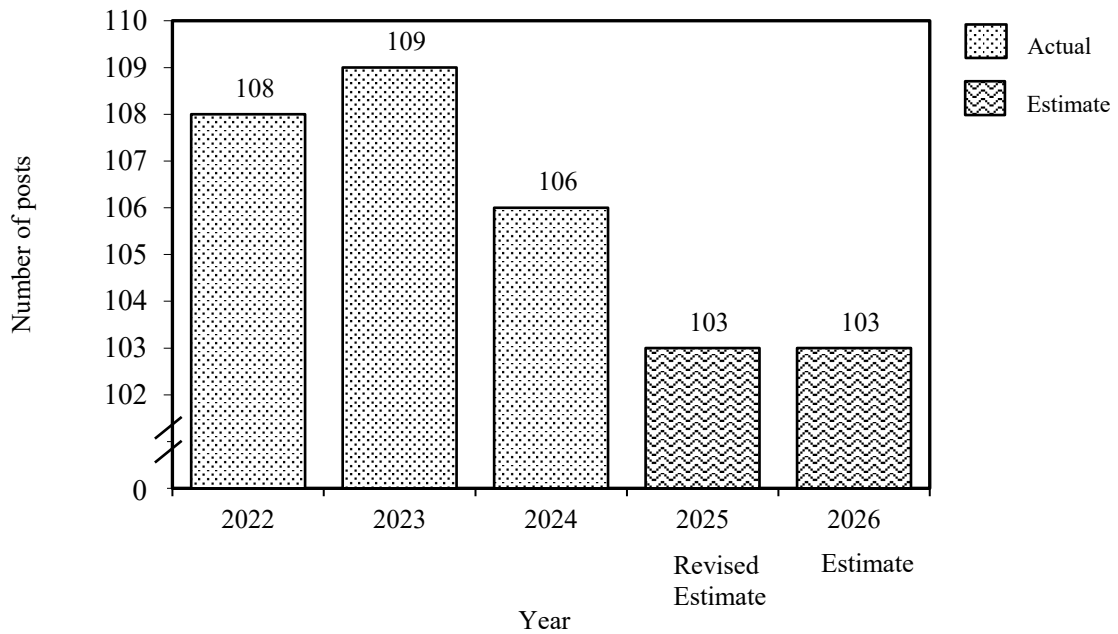


Staff by programme (as at 31 March 2026)



(No government staff under PROG 2)

Changes in the size of the establishment (as at 31 March)



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Sub-head (Code)	Actual expenditure 2023–24	Approved estimate 2024–25	Revised estimate 2024–25	Estimate 2025–26	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	259,790	259,451	259,451	270,271
	Total, Recurrent.....	259,790	259,451	259,451	270,271
Non-Recurrent					
700	General non-recurrent	241,128	722,044	868,553	165,238
	Total, Non-Recurrent.....	241,128	722,044	868,553	165,238
	Total, Operating Account	500,918	981,495	1,128,004	435,509
	Total Expenditure	500,918	981,495	1,128,004	435,509

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Details of Expenditure by Subhead

The estimate of the amount required in 2025–26 for the salaries and expenses of the Financial Services Branch is \$435,509,000. This represents a decrease of \$692,495,000 against the revised estimate for 2024–25 and \$65,409,000 against the actual expenditure in 2023–24.

Operating Account

Recurrent

2 Provision of \$270,271,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Financial Services Branch.

3 The establishment as at 31 March 2025 will be 103 posts. No change in establishment is expected in 2025–26. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2025–26, but the notional annual mid-point salary value of all such posts must not exceed \$75,151,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2023–24 (Actual) (\$'000)	2024–25 (Original) (\$'000)	2024–25 (Revised) (\$'000)	2025–26 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	92,851	94,363	93,384	94,527
- Allowances	8,998	8,243	5,636	4,926
- Job-related allowances.....	—	2	2	2
Personnel Related Expenses				
- Mandatory Provident Fund contribution	157	149	131	112
- Civil Service Provident Fund contribution	9,555	10,812	10,155	12,417
Departmental Expenses				
- Hire of services and professional fees	27,181	24,656	27,820	28,146
- General departmental expenses	89,348	73,726	74,823	83,275
Subventions				
- Financial Services Development Council ..	31,700	47,500	47,500	46,866
	259,790	259,451	259,451	270,271

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment \$'000	Accumulated expenditure to 31.3.2024 \$'000	Revised estimated expenditure for 2024–25 \$'000	Balance \$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
802		Funding for promoting and facilitating the development of the financial services sector	1,395,000	842,893	207,833	344,274
807		Funding requirements for the eMPF Platform for the administration of Mandatory Provident Fund registered schemes.....	4,939,276	1,737,870	447,613	2,753,793
888		Pilot programme to enhance talent training for the insurance sector and the asset and wealth management sector.....	155,000	103,606	13,107	38,287
		Total	6,489,276	2,684,369	668,553	3,136,354