

LCQ15: Measures to attract new capital to Hong Kong

Following is a question by the Hon Jeffrey Lam and a written reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (June 12):

Question:

To further enrich the talent pool, attract more new capital to Hong Kong, and strengthen the development of the asset and wealth management, financial and related professional service sectors in Hong Kong, the Government introduced the new Capital Investment Entrant Scheme (the new CIES) in March this year. Under the scheme, persons who intend to invest in Hong Kong and their dependants (including spouses and unmarried and dependent children aged under 18 years) can apply for entry to stay in Hong Kong. In this connection, will the Government inform this Council:

(1) of the number of enquiries and applications received so far under the new CIES; in respect of the applications received, a breakdown of the figures and percentages by age and nationality of the applicants and whether they are applying for entry to Hong Kong with their dependants;

(2) of the current number of applications which have passed the Net Asset Assessment, and the latest progress in the vetting and approval of such applications; and

(3) as it is learnt that some banks have recently launched integrated dedicated services targeting applicants of the new CIES to help them capture local investment opportunities through the provision of various tailor-made asset allocation solutions, whether the Government will collaborate with the relevant organisations to provide one-stop services, including enquiry, consultation, application and subsequent follow-up, to the applicants of the new CIES, with a view to enhancing the competitiveness and effectiveness of the new CIES in attracting new capital to Hong Kong; if so, of the details; if not, the reasons for that?

Reply:

President,

In consultation with Invest Hong Kong (InvestHK) and the Immigration Department (ImmD), the consolidated reply to the various parts of the question is as follows:

(1) and (2) The New Capital Investment Entrant Scheme (New CIES) has been launched for application from March 1, 2024, with the aim to further enrich the talent pool and attract new capital to Hong Kong. InvestHK is responsible

for assessing whether the applications fulfill the financial requirements, and the ImmD is responsible for assessing the applications for visa/entry permit and extension of stay, etc.

Since the launch of the New CIES on March 1 up to end-May, InvestHK received over 3 000 enquiries (mainly from the potential applicants and service providers) and received over 250 applications. The Net Asset Assessment for over 100 applications was approved. The ImmD granted "approval-in-principle" for over 40 applications, enabling the applicants to enter Hong Kong as visitors for not more than 180 days and make the committed investment during the period. Details of the age, nationality, and dependants of the applicants and the assessment of the applications are set out in Annex.

(3) To facilitate the financial services industry's better understanding of the details of the New CIES, InvestHK has organised a series of briefings for around 2 000 participants from various industry sectors, covering the banking, securities, funds and insurance sectors as well as the professional bodies of the accounting and legal sectors. Industry stakeholders generally welcome the launch of the New CIES. In particular, service providers for high-net-worth individuals or family offices are positive towards their business prospects brought by the New CIES.

InvestHK will continue to maintain close communication with the industry and stakeholders to enhance their understanding of the scheme details. In 2024-25, InvestHK will launch extensive publicity to target client groups through the Dedicated Teams for Attracting Businesses as well as the Talents and Investment Promotion Divisions (which base in the Economic and Trade Offices around the globe), and plans to further promote the New CIES to industry practitioners such as private banks, lawyers and accounting firms through the Private Wealth Management Association in the third quarter of 2024, thereby enhancing their awareness of the New CIES. InvestHK is also planning to promote the New CIES as well as Hong Kong's competitiveness and unique advantages as a family office hub by means of physical events and online seminars in the Mainland and overseas places.