

12 August, 2026

Constitutional and Mainland Affairs Bureau

12/F, East Wing,
Central Government Offices
2 Tim Mei Avenue, Tamar,
Hong Kong

Dear Sir/Madam,

IFPHK's Response to the Public Consultation on the First Five-Year Plan for Economic and Social Development of the Hong Kong Special Administrative Region (2026–2030)

On behalf of the Institute of Financial Planners of Hong Kong (IFPHK), we are pleased to submit our response to the public consultation on the First Five-Year Plan for Economic and Social Development of the Hong Kong Special Administrative Region (2026–2030).

We welcome the Government's initiative to formulate a comprehensive medium-term plan that sets out Hong Kong's strategic direction in economic development, financial services, innovation and technology, regional co-operation, and people's livelihood.

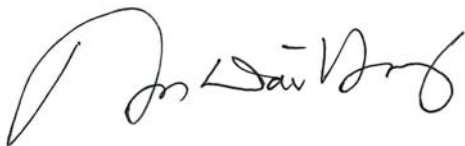
As the professional body representing financial planning practitioners in Hong Kong and Macau, IFPHK believes that Hong Kong's continued success as an international financial and wealth-management centre depends not only on market development, but also on high professional standards, a skilled local talent pool, sound financial literacy, and stronger retirement preparedness among the public.

Our submission recommends measures to strengthen financial-planning professionalism and talent development, including reform of the Continuing Education Fund and the permanent relaunch of the Asset and Wealth Management Talent Training Pilot Programme. We also recommend support for responsible AI adoption in financial planning, diversification of Hong Kong's cross-border wealth-management base, mutual recognition of qualifications within the Greater Bay Area, and stronger public access to retirement-planning and financial-literacy education.

IFPHK appreciates the opportunity to contribute to this important consultation. We believe the Plan can reinforce Hong Kong's long-term competitiveness while promoting the financial well-being of individuals and families.

Thank you for considering our views and recommendations. Should you require further information, please contact Ms. Daphne So at daphneso@ifphk.org.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Dr. Paris Yeung', is written in a fluid, cursive style.

Dr. Paris Yeung
Chief Executive Officer
Institute of Financial Planners of Hong Kong

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The Consultation Paper

On 15 June, the Government of the Hong Kong Special Administrative Region (HKSAR) launched a public consultation on “The First Five-Year Plan for Economic and Social Development of the Hong Kong Special Administrative Region (2026–2030)” (“Hong Kong’s Five-Year Plan”). This is the first time Hong Kong is formulating a comprehensive medium-term plan of this nature, and it is intended to provide a clear strategic roadmap for the city’s development over the next five years.

Hong Kong’s Five-Year Plan will articulate the Government’s overall development vision and set out key strategic directions across multiple domains. On the economic and industrial fronts, it will address issues such as Hong Kong’s positioning as an international financial centre, upgrading and transformation of pillar industries, development of emerging sectors, and deeper regional and international collaboration. In terms of spatial planning and infrastructure, the Plan will provide guidance on land use, major transport links, new development areas and the supporting facilities required to sustain long-term growth.

The Five-Year Plan will also place significant emphasis on green transformation, including climate transition, sustainable development, and the building of a low - carbon, resilient city. Equally important, it will cover core livelihood areas that directly affect citizens’ quality of life, such as healthcare, education, housing, social welfare, and elderly care. By bringing these strands together, the Plan aims to present an integrated framework for promoting both high - quality economic development and inclusive social progress.

In doing so, Hong Kong’s Five-Year Plan is intended to offer the community a clearer sense of direction and priorities for the coming five years. It seeks to set out not only the Government’s policy objectives, but also a future vision that citizens, businesses and community stakeholders can understand, participate in and look forward to.

The public consultation period lasted for two months and concluded on 14 August. During this time, stakeholders, professional bodies and members of the public were invited to submit views and recommendations, which will inform the finalisation of the Plan and its implementation priorities.

IFPHK Submission

Since its establishment in June 2000, IFPHK has served as the premier professional body for financial planning practitioners in Hong Kong and Macau. It has consistently engaged with major regulatory consultations, including the SFC's response to the Lehman Brothers Minibond Saga (2009), the 2010 consultation on the Investor Education Council and Financial Dispute Resolution Centre. This track record reflects IFPHK's commitment to contributing constructively to Hong Kong's policy and regulatory landscape. The financial planning profession occupies a distinctive position within Hong Kong's financial services ecosystem: it bridges retail and mass affluent clients to investment, retirement, insurance, and estate planning products, translating macro-level financial market development into real-world outcomes for individuals and families. As such, IFPHK views the Five-Year Plan not only through the lens of financial market competitiveness, but also through the lens of client welfare, professional standards, and long-term societal benefit.

Part 2 – Economy, Finance, and Trade

IFPHK welcomes the Plan's emphasis on developing Hong Kong into a world-class international asset management and wealth management centre, deepening collaborative development across equity, bond, and wealth management markets, and strengthening Hong Kong's functions as a global offshore Renminbi business hub and international risk management centre. These ambitions align directly with the financial planning profession's core mandate.

However, IFPHK emphasizes that market scale and capital volume alone cannot sustain Hong Kong's leadership in wealth management. The quality and competency of financial planning practitioners — the individuals who interface directly with investors — are equally determinative of long-term competitive positioning. IFPHK therefore urges the Government to articulate, within the Five-Year Plan, an explicit commitment to elevating minimum professional standards for financial advisers, expanding recognition of internationally accredited qualifications such as CFP certification, and supporting continuing professional development frameworks that keep practitioners current with evolving market conditions, regulatory requirements, and emerging financial instruments including virtual assets.

a) Hong Kong's Cross-Border Wealth Management Trajectory: Achievements and Structural Vulnerabilities

IFPHK members, and the wider financial planning industry, recognise that Hong Kong's rise as the leading global hub for cross-border wealth management — now surpassing Switzerland — is a

major development in international finance. This growth is underpinned by Hong Kong's strong institutions, common law framework, free capital flows, strategic location and deep connectivity to high-net-worth investors across Asia.

However, the underlying data show that Hong Kong's success is heavily concentrated in Greater China. By 2030, Mainland China, Taiwan and Japan together are projected to account for close to four-fifths of cross-border wealth inflows, effectively tying Hong Kong's financial stability to the fortunes and policy environment of a single macroeconomic region. This creates heightened vulnerability to regional shocks and regulatory changes.

Switzerland, by contrast, draws wealth from a more balanced mix of Western Europe, the Middle East, Asia-Pacific, Latin America and North America, which provides a stabilising buffer against downturns in any one region. IFPHK therefore recommends that the Five-Year Plan explicitly acknowledge the concentration risk in Hong Kong's current cross-border wealth profile and set clear strategic directions to diversify the geographic sources of wealth over the Plan period. In line with the Plan's own goals of deepening international co-operation and expanding Hong Kong's global co-operation network, IFPHK recommends the following directions to support structural diversification of Hong Kong's cross-border wealth management base:

- ***Family Office and Wealth Hub Initiatives Targeting New Markets***

The Government's existing family office development initiatives are commendable. IFPHK recommends that the Plan formalise and expand these initiatives, establishing dedicated family office hubs with tailored fiscal incentives specifically targeted at high-net-worth and ultra-high-net-worth investors from the Middle East and Southeast Asia — regions where significant wealth accumulation trends are underway and where Hong Kong's professional services infrastructure offers distinctive advantages. The Plan's recognition of Middle East and Central Asia as key emerging markets for co-operation aligns well with this direction, and should be extended explicitly to the wealth management domain.

- ***Strategic Outreach to North American and European Institutions***

Hong Kong should intensify outreach to North American and European institutional investors and family offices, emphasising the robustness of its common law legal framework, the sophistication of its digital financial infrastructure, and its role as a secure, neutral gateway for global asset allocation in the Asia-Pacific region. IFPHK supports the Plan's emphasis on attracting international

organisations and enterprises to pursue development in Hong Kong, and recommends that specific initiatives targeting North American and European wealth management institutions be embedded in the Plan's implementation framework.

- ***Cross-Border Green Finance as a Diversification Driver***

IFPHK recommends that local regulators collaborate with established international financial centres to develop cross-border green finance products, capturing the growing global demand for sustainable investment solutions. Green finance presents a valuable opportunity to attract wealth inflows from European and Middle Eastern institutional investors whose mandates increasingly require ESG-aligned products. This aligns with the Plan's directions on green living and green transition and should be incorporated as a specific pillar of the financial markets development agenda.

b) Financial Planning as an Enabler of Fintech and "Finance+" Development

The Plan articulates a vision for "Finance+" empowerment across industries, including fintech, green finance, and trade finance. IFPHK considers the financial planning profession a critical enabler of this agenda. Certified financial planners equipped with digital literacy and knowledge of fintech tools — robo-advisory platforms, AI-driven financial planning applications, digital payment ecosystems — are well-positioned to bridge the gap between technological innovation and real-world client adoption. IFPHK urges the Government to:

- Support financial planning professional bodies in developing structured fintech literacy programmes for practitioners;
- Facilitate collaboration between fintech developers and financial planning professionals to ensure that consumer-facing digital financial products incorporate the holistic financial planning perspective; and
- Explore regulatory frameworks that enable certified financial planners to provide advisory services in adjacent digital financial domains, including virtual assets, within clearly defined professional and regulatory boundaries.

c) Reforming the Continuing Education Fund (CEF) to Better Serve Financial Professionals

At present, the CEF subsidy ceiling is only HK\$25,000, and courses must be listed on the Qualifications Register under the Qualifications Framework. For financial professionals, this is highly impractical. Many internationally recognised qualifications such as CFP, CFA, and FRM, as

well as advanced specialist training programmes, are not QF-listed courses and are therefore excluded from funding support. This weakens the incentive for practitioners to pursue continuing education at a time when upskilling is urgently needed across the financial services sector.

IFPHK recommends immediate reform of the CEF by raising the subsidy ceiling to HK\$40,000, introducing a replenishment mechanism every two years, and allowing examination fees and courses accredited by recognised industry regulators or professional bodies to be included without strict limitation to the Qualifications Framework. Drawing reference from Macao's more flexible continuing education model, such reform would better support self-enhancement, encourage cross-disciplinary development, and strengthen Hong Kong's local financial talent pipeline. Macao's Continuing Education Development Plan provides residents with a subsidy of MOP 6,000 every two years for training and examination fees, with far more flexible usage, and has been well received. Hong Kong is clearly lagging in this area. Immediate reform of the CEF is recommended: raise the subsidy ceiling to HK\$40,000 and introduce a replenishment mechanism every two years; more importantly, allow examination fees and courses accredited by industry regulators or recognised professional bodies to be included, without being strictly restricted to the QF. This would maintain quality while genuinely encouraging self-enhancement and fostering cross-disciplinary talent for the financial industry.

d) Relaunching and Permanently Sustaining the Asset and Wealth Management Talent Training Pilot Programme (WAM)

The three-year Pilot Programme on Talent Training for the Asset and Wealth Management Sector (WAM) is set to expire in 2026. The lack of any extension arrangement in the earlier Budget has caused great disappointment across the industry. While the Government is actively “competing for talent,” it must be recognised that Hong Kong is home to around 220,000 financial practitioners, many of whom, especially frontline wealth advisors, are in urgent need of upskilling — for instance, in fintech, ESG investing and family office services. Relying solely on importing talent while neglecting the training of the local workforce will not only weaken Hong Kong's foundation as an international financial centre but could also trigger local talent outflow and employment tensions.

It is strongly recommended that the Government, in the upcoming 2026 Policy Address, relaunch the WAM Programme on a permanent basis and increase the subsidy level to help practitioners adapt to rapid industry transformation. Consideration should be given to complementing the Continuing Education Fund (CEF) and the Qualifications Framework (QF) by introducing enhanced subsidies specifically for strategic areas such as green finance, cross-boundary Wealth

Management Connect, and artificial intelligence applications, thereby genuinely strengthening Hong Kong's local financial talent pipeline.

e) Developing Cultural Heritage Asset Financialization as a New Frontier for Hong Kong's Wealth Management Industry

The national 15th Five-Year cultural strategy creates a distinctive opportunity for Hong Kong to develop as a hub for the financialization of cultural heritage assets. The Northern Metropolis, including the San Tin Technopole and related cultural infrastructure, offers an appropriate platform for bonded storage, exhibition, authentication, and trading of high-end cultural artworks and antiquities. Hong Kong's common law framework, sophisticated trust and fund structures, and established family office ecosystem also make it well placed to capture this emerging opportunity.

IFPHK recommends that the Plan explicitly support cultural heritage asset financialization through initiatives such as standardised valuation frameworks for artworks and antiquities, art-secured lending, cultural asset trust structures, and exploration of heritage asset securitisation. Consideration should also be given to reserving dedicated land within the Northern Metropolis for a national-level trading, authentication, and certification centre for cultural artworks and antiquities, supported by cross-departmental coordination between the Financial Services and the Treasury Bureau and the Culture, Sports and Tourism Bureau.

f) Breaking Age Barriers and Incentivizing the Employment of Senior Financial Professionals

Hong Kong's population is rapidly ageing and the labour force is shrinking, making it increasingly important to retain and re-engage experienced talent. Encouraging older, highly experienced practitioners to remain in or return to the workforce is a practical and efficient way to address skills gaps, particularly in specialist areas of financial services. Yet, an unwritten market practice that banks and financial institutions rarely hire staff over 40 remains widely acknowledged, resulting in a substantial waste of human capital.

Existing measures, such as the Labour Department's Employment Programme for the Middle-aged, provide some on-the-job training allowances but are modest in scale and do not include any tax incentives, limiting their impact and attractiveness to employers. To address this, it is recommended that the Government consider following the practice of Singapore by offering employers who hire individuals aged 60 or above an enhanced tax deduction on their salary expenses (for example, a 200% deduction). For roles that rely heavily on deep experience — such as financial compliance,

risk management and wealth advisory — a dedicated “Senior Financial Talent Employment Subsidy” could also be introduced to directly support hiring organisations.

In parallel, the Government should actively study the introduction of more specific legislation or policy measures to tackle age discrimination in recruitment and employment. It should also promote the establishment of a “Senior Consultant” part-time matching platform within the financial industry, enabling silver-haired professionals to contribute their expertise and networks on a flexible basis. Together, these measures would help Hong Kong better leverage its senior financial talent and support the city’s long-term competitiveness as an international financial centre.

Part 3 – Innovation, Technology, and AI

Cultural Heritage Asset Financialization: Support the development of cultural heritage asset financialization as a new frontier for Hong Kong's wealth management industry, including valuation, trust, financing, and trading infrastructure linked to the Northern Metropolis.

WAM Programme Permanency: Relaunch the WAM Programme on a permanent basis with higher subsidy support and strategic focus on green finance, Wealth Management Connect, fintech, and AI-related applications.

CEF Reform for Financial Professionals: Reform the Continuing Education Fund by raising the subsidy ceiling, introducing periodic replenishment, and broadening eligibility to include recognised professional qualifications and industry-accredited programmes beyond the Qualifications Framework.

Senior Financial Talent Retention: Introduce targeted incentives and policy support to retain and re-engage senior financial professionals, and examine further measures to address age-related barriers in the sector.

a) AI Integration in Financial Planning Practice

The Plan's ambition to deepen AI application across industries and to promote Hong Kong as an international I&T hub is noted with interest by IFPHK. AI is already reshaping financial planning practice globally — from AI-driven client risk profiling and portfolio optimisation to automated financial plan generation and regulatory compliance monitoring. According to FPSB's 2025 Global Research Report on AI in Financial Planning, AI tools are being used by approximately 30% of CFP professionals for client risk profiling and by approximately 41% for client communications.

IFPHK supports the Plan's AI ambitions and recommends that the Government:

- Establish clear regulatory guidance on the use of AI tools in client-facing financial advisory services, ensuring that AI-assisted advice remains subject to appropriate oversight by licensed professionals;
- Support the development of AI literacy and competency standards for financial planning practitioners, ensuring that technology adoption enhances rather than compromises the quality of client advice; and
- Promote Hong Kong as a centre for responsible financial AI development, drawing on the IFPHK standard's emphasis on client-first, ethics-driven advice as a governance framework for AI deployment in financial services.

Part 4 – People's Livelihood

a) Retirement Adequacy and the Role of Professional Financial Planning

The Plan acknowledges the challenges posed by Hong Kong's ageing society, including growing pressure on social security and elderly care services, and sets directions for strengthening multi-tiered retirement support. IFPHK considers professional financial planning advice — particularly retirement planning — an essential component of any effective long-term response to these demographic challenges. A financially literate population, supported by qualified financial planners, is better equipped to make sound retirement saving and investment decisions, reducing future dependency on public resources.

IFPHK calls on the Government to explicitly recognise retirement planning advisory services as a component of the Plan's elderly care and social welfare strategy, and to support initiatives that improve public access to professional retirement planning advice, particularly for the middle-income population which may be underserved by both private wealth management (which typically targets high-net-worth individuals) and public social security systems.

b) Financial Literacy as a Public Good

The Plan's emphasis on education and lifelong learning provides a natural platform for expanding financial literacy initiatives. IFPHK, consistent with its long-standing advocacy since contributing to the 2010 Investor Education Council consultation, urges the Government to embed financial literacy as a component of basic education curricula (start from primary education) and adult continuing education programmes. Financial literacy — encompassing budgeting, savings, investment basics, retirement planning, insurance fundamentals, and debt management —

equips citizens to make informed financial decisions over their lifecycle, supporting individual welfare and macro-level financial stability.

IFPHK is prepared to collaborate with the Government, the Investor and Financial Education Council (IFEC), and other relevant bodies to develop and deliver structured financial literacy programmes aligned with the Plan's objectives.

Part 5 – Regional Co-operation

- IFPHK strongly supports the Plan's directions on deepening integration with the Greater Bay Area (GBA), advancing "soft connectivity" in rules and standards, and facilitating the efficient flow of people, capital, and information across the GBA. From the financial planning perspective, this integration presents substantial opportunities: a growing mass affluent and high-net-worth population across GBA cities requires comprehensive, cross-boundary financial planning services encompassing asset allocation, retirement planning, insurance planning, and estate planning across two distinct regulatory jurisdictions. IFPHK urges the Government to engage with regulators in the Mainland and the GBA to explore mutual recognition frameworks for financial planning qualifications, facilitating the cross-boundary provision of financial planning advisory services by CFP and AFP certificants. Such frameworks would directly support the Plan's goal of facilitating the efficient flow of professionals and services across the GBA, and would enhance Hong Kong's competitive positioning as the GBA's pre-eminent financial services hub.
- The Plan identifies the Belt and Road Initiative (BRI) as a key vehicle for deepening Hong Kong's role as a "super connector" in international co-operation, with a specific emphasis on finance, professional services, and digital economy. IFPHK supports this direction and notes that financial planning — as a professional service sector — can play an active supporting role for Mainland and Hong Kong enterprises "going global" under the BRI framework. Certified financial planners with expertise in cross-border tax planning, estate planning, and international asset management are well-positioned to support the wealth management needs of entrepreneurs and families navigating cross-border business development. IFPHK recommends that professional services, inclusive of financial planning, be explicitly incorporated in the Plan's BRI co-operation framework, and that the Government support industry-led initiatives to build bilateral networks of certified financial planning professionals across BRI partner jurisdictions.

3. Institute of Financial Planners of Hong Kong (IFPHK) — Profile

About IFPHK

IFPHK was established in June 2000 as a non-profit organization for the fast-growing financial industry. It aims to be recognized in the region as the premier professional body representing financial planners that uphold the highest standards to benefit the public.

The Institute is the sole licensing body in Hong Kong authorized by Financial Planning Standards Board Limited to grant the much-coveted and internationally-recognized CFP® certification and AFP® certification to qualified financial planning professionals in Hong Kong and Macau.

Currently there are more than 230,000 CFP certificants in 28 regions; the majority of these professionals are in the U.S., China, Japan, Canada and Brazil. As at 31 December 2025, Hong Kong had approximately 3,465 CFP certificants.

At present, IFPHK has 5,863 members in Hong Kong including 1,088 Qualified Retirement Adviser (QRA) holders; and represents financial planning practitioners in diverse professional backgrounds such as banking, insurance, independent financial advisory, stock broking, accounting, and legal services.

About CFP Certification

CFP certification is the global symbol of excellence in financial planning and represents financial planners who commit to standards of competency and ethics, and to putting clients' interests first. The CERTIFIED FINANCIAL PLANNER® credential represents financial planning professionals who commit to better serving their clients through rigorous international standards, ethical practices and lifelong learning.

IFPHK's interest in this consultation

The Institute of Financial Planners of Hong Kong (IFPHK) has a long and consistent history of responding to major public consultations on Hong Kong's financial system, particularly on issues that affect long-term savings, retirement adequacy and the protection of retail and mass-affluent investors.

As the premier professional body representing financial planning practitioners in Hong Kong and Macau, IFPHK regards the First Five-Year Plan for Economic and Social Development of the HKSAR as a strategic blueprint that will shape Hong Kong's role as an international financial centre, its wealth management industry and the financial well-being of its citizens over the medium term. IFPHK therefore sees it as a natural extension of its public-interest role to contribute its board-level perspective and practitioner experience to this consultation.

At an institutional level, IFPHK is committed to:

- Promoting financial planning as a recognised profession that supports Hong Kong's status as a leading international financial and wealth management centre.
- Raising standards of advice, competence and ethics among financial planners, in line with global benchmarks, so that households receive high - quality, client - centred guidance on savings, investment, retirement and risk management.
- Advancing financial literacy, retirement readiness and holistic wealth management as core elements of Hong Kong's people-centric development, social stability and ageing policy agenda.

By responding to the Hong Kong Government's Five-Year Plan consultation, IFPHK aims to ensure that the voice of the financial planning profession is reflected at policy level, and that the long-term financial security of individuals and families is considered alongside macroeconomic, innovation and regional integration objectives.

Detailed responses from IFPHK can be found at
https://www.ifphk.org/page.php?slug=qualifications%2Fpolicy_regulatory_affairs&lang=en