



## Summary of CMA's Suggestions for the 2026–27 Budget

### Boosting the domestic demand

#### 1. Implement short-term relief measures

1.1	Introduce one-off relief measures such as rates concessions for residential and non-residential properties, salaries tax rebates, profits tax concessions, and electricity subsidies for commercial units.
1.2	Increase the ceilings of tax and fee concessions to ease the financial burden on SMEs and the public, thereby enhancing local spending power and boosting consumer confidence.

#### 2. Encourage local consumption

2.1	The Government, in collaboration with business sector, can roll out a series of “Spend in Hong Kong” lucky draw campaigns to stimulate local spending.
2.2	Provide subsidies to restaurants applying for “Pet-Friendly Restaurant” licenses to support facility upgrades, staff training, and other related expenses.
2.3	Further streamline the licensing procedures and improve approval efficiency for rural guesthouses and food establishments. Offer targeted subsidies to support businesses or individuals investing in rural tourism.
2.4	Review existing hawker policies. Consider allocating suitable vacant government land or buildings to establish themed streets featuring authentic Hong Kong products, and allow hawkers to operate rent-free.

#### 3. Attract inbound tourists

3.1	Attract more international conferences, exhibitions, and exchanges to Hong Kong by injecting additional fund for and expanding the venue coverage of the Exhibitions Incentive Scheme for Recurrent Exhibitions 2.0.
3.2	Provide financial incentives and subsidies for local business chambers and professional bodies to invite overseas business leaders and entrepreneurs to attend designated business exchange events in Hong Kong.
3.3	Collaborate with Mainland cities, especially those in the Greater Bay Area, to co-develop more appealing “multi-destination” travel itineraries. The Hong Kong Tourism Board (HKTb) should also leverage China’s visa-free policies for certain countries to strengthen targeted overseas promotions.
3.4	Organise iconic promotional events themed around Hong Kong’s intangible cultural heritage (ICH). Further revitalise and commercialise ICH through an “ICH + Tourism” model, offering visitors unique cultural experiences.

## **Supporting SMEs**

### **4. Optimise government funding schemes:**

4.1	Fully lift the geographical restrictions under the BUD Fund, raise the funding ceiling for each “Easy BUD” project from HK\$100,000 to HK\$200,000, and extend the geographical coverage of “E-commerce Easy” to align with that of the BUD Fund. The consolidated BUD Fund can also consider allocating a dedicated quota for projects targeting the local market, and further include local brand promotion initiatives within its funding scope.
4.2	The enhanced Digital Transformation Support Pilot Programme should expand its eligibility to cover SMEs across all industries.
4.3	Introduce incentives, such as funding support and tax deductions, to encourage ESG practices in SMEs. The government should also support chambers and industry bodies in organising ESG-related research, training, and promotional activities.
4.4	Conduct a comprehensive review of all existing government funding schemes to improve efficiency and accessibility for SMEs.

### **5. Help businesses adapt to changing environments**

5.1	The CEDB should take the lead in coordinating relevant government departments and public organisations to systematically collect and disseminate overseas market intelligence, and establish a one-stop enquiry portal to support Hong Kong businesses in exploring emerging markets.
5.2	Facilitate strategic collaboration between Sinosure and HKECIC, including credit information sharing, joint risk underwriting, and resource integration, to enhance export credit support for Hong Kong enterprises.
5.3	Extend the application period for 90% Guarantee Product to March 2028, and remain open to reviewing the principal moratorium scheme if necessary. Encourage the banking sector to provide enhanced financial support for Hong Kong businesses expanding into overseas markets.
5.4	Maintain close liaison with relevant Mainland authorities to jointly formulate strategies that help Mainland and Hong Kong manufacturers respond to the challenges of the EU CBAM. Domestically, fast-track the development of a local carbon audit and labelling system, and consider extra tax deductions to incentivise early adoption by manufacturers.

### **6. Reform government procurement policies**

6.1	Introduce incentives to encourage participation of SMEs and start-ups in government procurement. Incorporate a “Hong Kong Brand First” preference into public procurement and government-funded projects, while giving greater weight to cost-effectiveness in the evaluation criteria.
-----	---

## **Promoting I&T and new industrialisation**

### **7. Strengthen government-industry-academia-research-investment collaboration**

7.1	Accelerate the approval process for funding schemes under the Innovation and Technology Fund (ITF). Review the effectiveness of long-standing ITF schemes and carry out enhancements to better meet current industry needs.
7.2	Optimise the funding mechanism to reduce excessive reliance on research institutions and increase opportunities for enterprises to apply independently. Refine assessment criteria to explicitly include economic indicators such as commercialisation potential, applicability, intellectual property value, and market prospects.
7.3	Further enhance the mechanism of the Innovation and Technology Support Programme by exploring the introduction of a fast-track sub-programme specifically designed for collaborative projects that facilitate technology transfer and drive business upgrading.
7.4	Encourage the eight UGC-funded universities to jointly establish a cross-institutional technology exchange platform and service alliance with strong industry participation. Explore the introduction of a Technology Transfer Manager system to recruit professionals for overseeing industry-academia collaboration projects.
7.5	Launch a recognition scheme to commend researchers and academics who have made significant contributions in technological application and industry-research collaboration.
7.6	Provide funding or establish matching grants for non-profit organisations such as business chambers to set up or expand dedicated implementation teams, thereby enhancing their role as intermediaries in IP commercialisation and technology transfer. Expand the eligibility of the RAISe+ Scheme to allow qualified private research platforms and non-profit institutions to serve as applicant organisations.

### **8. Develop a pilot production platform in the San Tin Technopole**

8.1	The San Tin Pilot Manufacturing Platform should be designed to support the transformation and upgrading needs of Hong Kong businesses. It should focus on industry-driven technology translation, including applied technologies for specific sectors, cross-industry enabling technologies, and strategic industries.
8.2	Reserve space within San Tin Technopole's I&T land for third-party service providers engaged in pilot manufacturing, or offer rent concessions or subsidies for industrial buildings to lower entry barriers.
8.3	Establish a dedicated fund to provide matching grants for non-profit organisations to set up and operate pilot manufacturing facilities.
8.4	Strengthen the positioning of San Tin pilot production platform as a dual-function hub that both facilitates the translation of overseas

	R&D outcomes and supports the internationalisation of Mainland technologies.
--	--

**9. Support the development of “Specialised, Refined, Distinctive and Innovative” enterprises**

9.1	Encourage Hong Kong-funded enterprises operating in the Mainland to apply for “Specialised, Refined, Distinctive and Innovative” (SRDI) enterprise status. Eligible enterprises should be included in a mutually recognised whitelist of key enterprises endorsed by both Hong Kong and Mainland authorities. Support measures available to Hong Kong-based enterprises should also be extended to whitelisted firms operating outside of Hong Kong.
9.2	Develop a Hong Kong-specific evaluation framework and recognition mechanism for SRDI enterprises, and formulate tailored support policies for enterprises at different stages of development or with unique characteristics.
9.3	Explore the establishment of dedicated industrial parks in the Northern Metropolis with a focus on nurturing SRDI enterprises. The Heung Yuen Wai Hong Kong Food Innovation Park could serve as a pilot base for high-quality SRDI development, with a focus on sectors such as silver-friendly foods, halal foods, health foods, unique Hong Kong-style foods, and next-generation food technologies.

**Accelerating the development of the Northern Metropolis**

**10. Accelerate Northern Metropolis development:**

10.1	Continue to reform infrastructure approval procedures by further streamlining requirements and processes, in order to expedite the development of major projects and provide comprehensive support for industrial growth.
10.2	Support the establishment of a tailored, efficient, and flexible institutional framework for the Northern Metropolis, including allowing the participation of Mainland construction and design teams to enhance development efficiency.
10.3	Clearly define the positioning and collaborative relationships among San Tin Technopole, Lok Ma Chau Loop (HK-Shenzhen Innovation and Technology Park), and Sha Ling, to avoid duplication and resource wastage.
10.4	Engage renowned international and Mainland industrial park developers as strategic partners and equity stakeholders in the development of industrial zones within the Northern Metropolis.
10.5	The government should adopt a scenario-based investment promotion strategy by planning forward-looking, high-impact demonstration projects and regularly publishing a “Use Case List.”

	Comprehensive support should be provided to facilitate enterprise entry and long-term growth.
10.6	Strengthen promotional efforts to engage local enterprises, especially Hong Kong businesses considering returning from abroad, to enhance SME participation in Northern Metropolis development.
10.7	Seek support from the Central Government to pilot cross-border facilitation measures in the Northern Metropolis industrial zones, including the free flow of goods, personnel, and capital, to enhance the region's appeal to both Mainland and international manufacturing enterprises.

## **11. Expand convention and exhibition facilities**

11.1	Develop convention and exhibition venues in the Northern Metropolis that complement existing urban facilities and support local industrial development, creating synergies across sectors.
11.2	Potential directions include hosting I&T expos, R&D commercialisation showcases, education fairs, and academic conferences; exhibitions for emerging sectors like new energy vehicles and the low-altitude economy; large-scale cultural and creative events (e.g. anime, film, art); and integrating with eco-tourism to create a cultural-tourism showcase.

## **12. Accelerate smart city development**

12.1	Leverage cost-effective, widely adopted Mainland tech solutions to improve efficiency in public procurement, infrastructure, and government-funded projects. The government should lead by example in adopting proven Mainland technologies to enhance smart city development.
12.2	Identify suitable sites in the Northern Metropolis to support the growing demand for data centres, supercomputing facilities, and related infrastructure.

## **13. Promote industrial tourism:**

13.1	Allow enterprises to convert designated areas within industrial buildings or factories for industrial tourism without requiring lease modifications or waiver fees.
13.2	Introduce a dedicated support scheme or expand the scope of existing funds to subsidise enterprises developing industrial tourism. Consider offering incentives to tour operators.
13.3	Extend eligibility for industrial guided tours to local residents, and issue dedicated application guidelines to facilitate group and individual bookings by local participants.
13.4	Develop operational guidelines and advisory support for industrial tourism projects. Encourage academia to conduct research and build knowledge in this field.
13.5	Integrate “one-day, multi-stop” tour routes into existing sightseeing

	bus tours. Task the Hong Kong Tourism Board with launching related promotional campaigns in collaboration with industry stakeholders.
--	---

## **Stimulating economic momentum**

### **14. Develop the silver economy**

14.1	The government should collaborate with enterprises, universities, and research institutions to develop a local promotion list for elderly-friendly products and services.
14.2	Expand access to elderly-related subsidies by allowing individual applications under the Elderly I&T Fund, broadening the Health Care Voucher's scope, and extending the housing repair subsidy to cover elderly-friendly home installations.
14.3	Government departments and public bodies should prioritise local elderly tech solutions and ageing-friendly products in the construction of public facilities and senior housing.
14.4	Review existing funding schemes (e.g. BUD Fund, Tourism Industry Development Fund) to ensure ageing-related projects are covered. Consider consolidating elderly tech-related funds or creating a dedicated scheme focused on ageing technology.
14.5	Support chambers and professional bodies in developing standards and certification schemes for high-potential elderly-friendly products and services, and advocate for their inclusion in GBA Standards. Consider providing public funding or subsidies to support industry certification efforts.

### **15. Expand the halal market**

15.1	Extend halal certification subsidies beyond restaurants to include hotels, convention venues, and other tourism facilities.
15.2	Expand the scope of the New Industrialisation Funding Scheme and the Pilot Manufacturing and Production Line Upgrade Support Scheme to support the development of halal-compliant supply chains and provide subsidies for halal certification among food manufacturers.
15.3	Promote mutual recognition of halal certifications with key Muslim markets, and strengthen outreach to local and Mainland enterprises to encourage adoption of recognised halal standards.
15.4	Utilise existing training schemes to enhance industry understanding of halal culture and practices.

### **16. Develop a regional IP trading centre**

16.1	Align with international best practices by raising the tax deduction rate for the first HK\$2 million of R&D expenditure from 300% to 400%. Review the current accounting regulations and explore more flexible R&D cost capitalisation.
16.2	Strengthen collaboration between InnoHK R&D centres and industry to promote commercialisation of patents and research

	outputs. Encourage diversified participation through equity investment, donations, and partnerships.
16.3	Promote the original grant patent system and introduce tax incentives for patent applications. Offer enhanced funding and establish a fast-track approval process for local patent registrations through existing R&D subsidy schemes.
16.4	Integrate and enhance existing IP online platforms, improving matching, advisory, and support services to bridge academia and industry.
16.5	Support the development of IP trading infrastructure, including sector-specific platforms for patent valuation, transactions, and services. Encourage the financial sector to expand IP-based financing tailored to tech and advanced manufacturing firms.
16.6	Pursue comprehensive IP cooperation with Mainland to strengthen cross-border synergy.

### **17. Position Hong Kong as the preferred platform for brands going global**

17.1	Support the development of high-value cross-border supply chain management services such as ESG consulting, cross-border e-commerce, and fintech to assist Mainland enterprises expanding internationally.
17.2	Establish a recommended directory of Hong Kong supply chain management providers to facilitate efficient matchmaking with Mainland businesses.
17.3	Encourage academic institutions to develop evaluation metrics and publish a Global Supply Chain Management Centre Competitiveness Index.
17.4	Facilitate collaboration between local service providers and Mainland brands; support strategic alliances between Hong Kong and Mainland enterprises; and encourage chambers to launch awards and recognition schemes themed around brand internationalisation.

### **18. Expand the commodity trading market**

18.1	Partner with HKEX to broaden the range of tradable commodities in Hong Kong, including spot and futures platforms for agricultural products (e.g. coffee, soybeans) and non-ferrous metals for industrial use.
18.2	Develop commodity storage facilities in strategic locations such as the Northern Metropolis to support gold spot trading and futures delivery. Explore partnerships with Mainland GBA cities to enable cross-border warehousing and delivery. Leverage Hong Kong's status as a free port and logistics hub to attract high-value, regulated goods for offshore storage and settlement.
18.3	Strengthen collaboration with Mainland commodity exchanges to promote cross-border listing of related financial products. Drawing on the Stock Connect model, expand mutual market access to

	include commodities. Promote the use of RMB-denominated benchmarks and settlement systems in commodity trading.
--	---

## **Advancing cross-boundary cooperation**

### **19. Proactively align with the National 15th Five-Year Plan**

19.1	Proactively align with the National 15th Five-Year Plan by deepening Hong Kong's positioning as the "Eight Centres + Talent Hub". Lead cross-sector collaboration to develop strategic blueprints, action plans, and implementation timelines with measurable outcomes.
19.2	Identify new competitive advantages to serve national needs, such as positioning Hong Kong as an International Brand Hub, a Going Global Launchpad, or a High-Value-Added International Supply Chain Centre, and seek formal inclusion in national strategies.
19.3	Ensure that planning and development of the Northern Metropolis align closely with national strategic goals.
19.4	Leverage projects like the Northern Metropolis University Town, San Tin Technopole, and Lok Ma Chau Loop to deepen cross-boundary collaboration in tech value chains and talent development, fostering an integrated innovation ecosystem.
19.5	Draw on Macau's experience to explore the formulation of a Five-Year Plan for Hong Kong's economic development.

### **20. Adopt a GNI-oriented approach to support "outward development" of Hong Kong enterprises**

20.1	Adopt a GNI-orient economic development thinking and recognise outward industrial activities as part of Hong Kong's manufacturing and new industrial economy. Conduct a comprehensive survey of Hong Kong manufacturers operating outside the city and establish regular statistical indicators for outward industrial development.
20.2	Set up a dedicated Task Force to maintain close engagement with chambers and industry. Use G2G channels to promote cross-border coordination.
20.3	Assign dedicated industrial development officers to overseas Economic and Trade Offices and Mainland liaison offices.
20.4	Track new trends in offshore expansion and offer practical support to enterprises establishing production bases or supply chains outside Mainland.

### **21. Assist enterprises in expanding into Mainland domestic market**

21.1	Urge the ECIC to take a proactive role in supporting Hong Kong businesses entering the Mainland market by broadening insurance coverage, raising coverage limits, and lowering premium rates.
21.2	Advocate for the CEPA mechanism to extend simplified registration and approval procedures for Chinese proprietary medicines in the GBA to a nationwide scope, and expand such measures to other



	industries.
21.3	Seek central government support for greater facilitation measures, such as eased market access and tax incentives for Hong Kong enterprises targeting the Mainland domestic market.
21.4	Seek central government support for simplified customs and reporting procedures for goods brought into the Mainland for exhibitions and promotions. Propose a quota-based system under which goods sold within the limit may enjoy duty-free or preferential tax treatment.
21.5	Commission the HKTDC or chambers to explore the creation of a dedicated section for “Hong Kong Brands” on major e-commerce platforms.
21.6	Advocate for expanding the positive list of goods eligible for cross-border e-commerce retail import, and raise the per-order and annual transaction limits.
21.7	Lead efforts to establish a systematic definition of “Hong Kong Brands”, develop geographical indication (GI) labels for sectors with distinctive advantages, and invest in branding, promotion, and IP protection in both Mainland and international markets. Encourage local enterprises to participate in authentic Hong Kong brand certification schemes.

January 2026