



Press Release

**FSDC releases report**  
**“Fuelling Startup Success: Attracting and Cultivating**  
**Home-based Alternative Investment Funds”**

**Hong Kong, 10 June 2025** – The Financial Services Development Council (FSDC) today released a research report titled “Fuelling Startup Success: Attracting and Cultivating Home-based Alternative Investment Funds”, as a continuum of its efforts to strengthen Hong Kong’s position as a leading asset and wealth management hub.

Amid global competition for capital and innovation, Hong Kong’s financial ecosystem is at a juncture where alternative investments, such as private equity (PE), venture capital (VC), and private credit (PC), play an increasingly more important role in building its startup landscape. Such alternative investment vehicles have also been widely deployed by family offices and ultra-high net worth individuals and have been proven to be practical wealth management tools for risk diversification. Beyond merely bridging funding gaps, these strategies deploy patient, risk-tolerant capital that empowers early-stage ventures to scale and enables mature industries to pivot, advancing long-term economic growth and transformation.

“Hong Kong is uniquely positioned to strengthen its financial ecosystem into a launchpad for next-generation startups—bridging global capital with regional innovation. By deepening its alternative investment landscape and fully integrating it into the city’s asset and wealth management proposition, the city can catalyse a more vibrant and scalable innovation economy capable of delivering impactful solutions to global challenges,” said Mr Benjamin Hung, Chairman of the FSDC. “The policy recommendations put forth in the report are designed to chart a forward-looking path for aligning incentives, institutional collaborations, and private capital to unlock the full potential of this interplay. By fostering stronger public-private partnerships and removing structural barriers, these pave the way for more inclusive economic growth and long-term societal value.”

The report reflects insights from FSDC’s dedicated industry Working Group and presents recommendations to catalyse the interplay of alternative investments and innovation. These recommendations entail (i) a strategic and forward-looking policy vision to promote Hong Kong as a global hub for alternative investment funds; (ii) introducing a tailored regulatory regime for PE, VC, and PC; (iii) modernising the tax and regulatory frameworks to support alternative investments; (iv) optimising public funds to drive growth in PE, VC, and PC; (v) driving



innovation growth through reimagined funding and technology transfer; and (vi) diversifying through the inclusion of specific alternative investment options in the MPF scheme.

The full version of the report can be downloaded from the FSDC website: [www.fsdc.org.hk](http://www.fsdc.org.hk).

### **About the FSDC**

The FSDC was established in 2013 by the Government of the HKSAR as a high-level advisory body to engage the industry in formulating proposals to promote the further development of the financial services industry of Hong Kong and to map out the strategic direction for the development.

In September 2018, the FSDC was incorporated as a company limited by guarantee. This change allows it to better discharge its functions through research, market promotion, and human capital development with greater flexibility.

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