



Press Release

**FSDC releases report on
revitalising the real estate investment trusts (REITs) market**

Hong Kong, 18 May 2021 - The Financial Services Development Council (FSDC) today released a research report entitled “Revitalisation of Hong Kong’s Real Estate Investment Trusts Market – Promoting Liquidity”, with an aim of promoting further development of the real estate investment trusts (REITs) market in Hong Kong.

Mr Laurence Li, Chairman of the FSDC, said, “With REITs, as an investment vehicle, having gained much popularity over the past years, an increasing number of markets have established their respective local markets. This has coincided with the uncertain economic outlook and continued low interest rate environment across the globe, leading to a growing appetite for REITs given the distinctive risk and return characteristics. Meanwhile, as technology reshapes our work and living patterns, it also urges us to reconsider the definition of real estate. In view of these trends, Hong Kong, as one of the pioneers in the region having established its REITs market in 2003, should reposition and strategise for the further development of the market, thereby enhancing our city’s financing capabilities for the relevant sectors.”

In November 2013, the FSDC published a report entitled “Developing Hong Kong as a Capital Formation Centre for Real Estate Investment Trusts”, proposing policy recommendations covering the regulatory, tax and investment aspects of REITs. On the back of various regulatory and market advancements over the past years, this report revisits the development of the REITs market, and sets out recommendations in six key areas, namely refining the REITs value proposition; tapping into cross-boundary investor base; diversifying product offerings; exploring tax and financial incentives; implementing regulatory enhancements expeditiously; and stepping up market promotion and regulatory communication.



The full version of the report can be downloaded from the FSDC website:
www.fsd.org.hk.

About the FSDC

The FSDC was established in 2013 by the Hong Kong Special Administrative Region Government as a high-level, cross-sectoral 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.

The FSDC has been incorporated as a company limited by guarantee with effect from September 2018 to allow it to better discharge its functions through research, market promotion and human capital development with more flexibility.

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