

Hong Kong Trust Industry Well Positioned for Growth as Regulations Boost Credibility and Investor Confidence, KPMG and HKTA Report Shows

- *Recent regulatory changes enhance credibility for corporate trustees but add to complexity and costs*
- *New eMPF Platform to reshape Hong Kong's pension system and bring wave of change for pension trustees*

18 March 2025, Hong Kong (SAR), China (“Hong Kong”) Access to Chinese Mainland clients, Asia’s growing private wealth sector and improving industry credibility are underpinning a positive outlook for Hong Kong’s trust industry, provided practitioners can overcome the headwinds of increasing compliance costs and access to talent, according to a survey from the Hong Kong Trustees’ Association (HKTA) and KPMG.

The HKTA and KPMG conducted interviews with government officials and regulators, and almost 30 trust industry executives, alongside a digital survey of HKTA member institutions, in order to gauge the health of the sector, which performs a vital role in safeguarding assets held in pension schemes, as well as in corporate, charitable, private and public trusts.

Hong Kong’s trust market grew by 10% from 2021 to 2023, with HK\$5,188 billion (US\$667 billion)¹ of assets held under trusts at the end of 2023, compared with HK\$4,719 billion (US\$606 billion) when the previous HKTA-KPMG report was issued in 2021.

When considering the most significant growth engines over the next few years, 24% of respondents identified Chinese Mainland and Greater Bay Area (GBA) connectivity initiatives, such as Wealth Management Connect. A further 18% selected the Capital Investment Entrant Scheme (CIES) under which the Hong Kong SAR government has been attracting capital and family offices, and 18% selected similar initiatives focused on family offices and philanthropy.

The report found that recent regulatory developments are increasing confidence and enhancing protection for investors. These include the introduction of RA13 for depositaries of SFC-authorized Collective Investment Schemes (CISs) and the Hong Kong Monetary Authority’s Supervisory Policy Manual Module (TB-1). Sixty four percent (64%) of survey respondents said the regulatory regime is conducive to business, compared with 51% in 2021.

However, while new regulations are improving the business environment, they are also proving challenging to implement. Almost two-thirds of survey respondents (64%) reported that their compliance costs had increased by at least 5% to 15% over the past 12 months, partly because of increasing regulatory complexity.

Attracting talent was also seen as a significant industry headwind, with Legal & Compliance roles and Trust Administration the two most critical functions.

Hong Kong’s trust and fiduciary industry plays a critical role in the city’s success as a major international financial centre, employing a diverse range of professionals across banks,

¹ SFC Asset and Wealth Management Activities Survey 2023.

independent trust companies, insurers, private banks and legal, tax and accounting providers. The sector is critical in protecting the financial wellbeing of the vast majority of Hongkongers, including 87% of the working population who have assets held under the MPF² and ORSO³ schemes.

Launching the report, HKTA Chairman Ms. Ka Shi Lau said: “Trustees continue to play a crucial role in Hong Kong’s financial system, and their importance is particularly evident in the MPF system, which is pivotal in safeguarding the retirement assets of Hong Kong people. With 2025 marking the 25th anniversary of MPF, it is fitting that the 4th Trust Industry Report is released in celebration of this milestone and provides an endorsement of the system’s good health. Moreover, the recent transition to the new eMPF Platform is a significant step forward for fund visibility and member-centricity. However, it will also bring both challenges and opportunities for trustees.”

Arion Yiu, Partner, Asset Management, Hong Kong, for KPMG China adds: “Pension funds remain the largest asset category held under trusts, underscoring the significance of the trustee role in safeguarding Hong Kong’s retirement savings. The transition to eMPF, while presenting challenges, will also compel the trust industry to explore new avenues for differentiation and place a greater emphasis on governance to better serve MPF members.”

Vivian Chui, Head of Securities and Asset Management, Hong Kong, for KPMG China said: “Recent regulatory developments have increased Hong Kong’s attractiveness and credibility as both a funds and a trust centre. However, this positive momentum must be met with a proactive approach to talent acquisition. Showcasing the diverse and rewarding career paths available within the industry will be crucial to attracting the next generation of professionals.”

Ms. Ka Shi Lau further commented: “While compliance, reporting and regulatory requirements are becoming increasingly stringent, these new standards are also bringing with them increased credibility. Hong Kong is rolling out the red carpet for global wealth. The trust industry needs to step up now, work together, and be proactive in serving these clients or risk missing out on the opportunity to solidify Hong Kong’s position as a leading global trust centre.”

For a full copy of the report, please visit the [HKTA Website](#) or the [KPMG Website](#).

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About the Hong Kong Trustees’ Association

The Hong Kong Trustees’ Association Limited (HKTA) was established in 1991 by members of the trust and fiduciary services sectors to represent the trust industry in Hong Kong, particularly in the areas of legislation and education. It is a not-for-profit company limited by guarantee and incorporated in Hong Kong. The HKTA currently has more than 220 corporate and individual members, and represents thousands of people working in the trust, pensions, private banking, asset servicing, legal, accounting and other professional services fields.

² Mandatory Provident Fund.

³ Occupational Retirement Schemes Ordinance.

Mission:

- Represent the trust industry in promoting high standards of professionalism, corporate governance and regulatory compliance;
- Contribute towards advancing the status of Hong Kong trust professionals and that of the industry internationally;
- Represent the industry to the government, the media, local and international professional bodies and the public in promoting Hong Kong as an international trust and fiduciary services centre;
- Promote quality standards for the industry by the issuance of Best Practice Guides applicable to corporate trusts, pension schemes, private trusts and charitable trusts;
- Contribute towards enhancing the education and knowledge of practitioners in the trust industry through relevant trust accreditation and training programmes.
- Contribute towards enhancing public education on trust fraud.

About KPMG:

KPMG in China has offices located in 31 cities with over 14, 000 partners and staff, in Beijing, Changchun, Changsha, Chengdu, Chongqing, Dalian, Dongguan, Foshan, Fuzhou, Guangzhou, Haikou, Hangzhou, Hefei, Jinan, Nanjing, Nantong, Ningbo, Qingdao, Shanghai, Shenyang, Shenzhen, Suzhou, Taiyuan, Tianjin, Wuhan, Wuxi, Xiamen, Xi'an, Zhengzhou, Hong Kong SAR and Macau SAR. It started operations in Hong Kong in 1945. In 1992, KPMG became the first international accounting network to be granted a joint venture licence in the Chinese Mainland. In 2012, KPMG became the first among the “Big Four” in the Chinese Mainland to convert from a joint venture to a special general partnership.

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Celebrating 80 years in Hong Kong



In 2025, KPMG marks “80 Years of Trust” in Hong Kong. Established in 1945, we were the first international accounting firm to set up operations in the city. Over the past eight decades, we’ve woven ourselves into the fabric of Hong Kong, working closely with the government, regulators, and the business community to help establish Hong Kong as one of the world’s leading business and financial centres. This close collaboration has enabled us to build lasting trust with our clients and the local community – a core value celebrated in our anniversary theme: “80 Years of Trust”.