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MEMORANDUM

To: The Honourable Paul Chan Mo-po, GBM, GBS, MH, JP
Financial Secretary
Government of the Hong Kong Special Administrative Region

From: OASA

Date: 1 January 2026

**Subject: Strategic Fiscal Proposals to Establish Hong Kong as a Premier Global
Hub for Space Commerce & Finance**

Honourable Financial Secretary Paul,

As we formulate the next Budget, we propose a strategic initiative to capture a nascent, high-value sector aligned with national policy and Hong Kong's core competencies: Commercialising Space.

Commercial space represents a strategically suitable opportunity, as value creation in the sector is increasingly concentrated at the high-value ends of the industrial chain—particularly in advanced research and design, capital formation, risk management, data utilisation, and professional services—rather than in mid-stream manufacturing. China's space industry will, within the next three to five years, enter a critical phase of commercialisation—namely, the need to establish sustainable business models capable of delivering market-based returns. In this context, Hong Kong is uniquely positioned to serve as both a "Super Connector" and a "Super Value-Adder", including world-class universities and research talent, deep and internationalised capital markets, and a mature ecosystem of legal and professional services.



I. Executive Summary: Next Steps for the 2026-27 Budget

We respectfully recommend that the Financial Secretary consider:

1. Formally expanding the mandate of the "Going Global" taskforce to include commercial space and allocating seed funding for the establishment of a coordinating hub, say giving it a name like "the Hong Kong Centre for Space Finance & Commerce (HKCSFC)" as its operational partner.
2. Approving and underwriting the Hong Kong Government & NewSpace Accelerator Programme to launch in 2026.
3. Earmarking funds for a pilot GBA Space Data for ESG/SDG project.
4. Tasking the DoJ and HKIAC to develop a proposal for the Space Asset Registry & Arbitration Panel.
5. Encourage the professionalisation and development of space-enabled professionals.

A New High-Value, Low-Capex Growth Sector Called "NewSpace"

This sector—the commercialisation of space activities—presents a unique opportunity for Hong Kong to drive economic diversification, create high-skilled jobs, and reinforce our status as an international financial centre, with minimal demands on physical infrastructure and a modest fiscal commitment. By leveraging our existing strengths in finance, law, and professional services, we can build the essential financial and legal "operating system" for the global space economy, directly supporting the national strategy outlined in China's 15th Five-Year Plan and CNSA's commercial space guidelines¹.

In many countries, this new sector is called NewSpace and is an additive overlay on all existing industrial sectors, such as trade, maritime, finance, insurance, and other earth-bound sectors.

¹ On 26 Nov 2025, CNSA issued a whole series of measures which included the establishment of a new ¹ department for space commercialisation and a Space Investment Fund. https://english.www.gov.cn/news/202511/26/content_WS69226a9c5c6d00ca5f9a07ce9.html.



The following integrated proposals are designed to be fiscally prudent, focusing on regulatory innovation, institutional development, and talent bridging to establish Hong Kong as the indispensable nexus for capital formation, risk management, and commercial arbitration in NewSpace.

II. Integrated Proposal Framework

1. Anchor Initiative: Integrate NewSpace into the "Going Global" Taskforce & Establish the Hong Kong Centre for Space Finance & Commerce (HKCSFC)

- **Proposal:** Formally expand the mandate of the inter-departmental taskforce supporting Mainland enterprises in "going global" to include a dedicated workstream for NewSpace enterprises. This ensures coordinated, top-level government support for market access, regulatory navigation, and strategic partnerships. Concurrently, request the Hong Kong Investment Corporation or HKIC to seed-fund the establishment of the HKCSFC as the executing public-private partnership arm of this initiative. It will serve as the central coordinating hub for industry engagement, policy feedback, and market-making activities. This will help bring talent to Hong Kong, as often the brightest talents are students and practitioners in the space industry.
- **Fiscal Rationale:** This leverages existing government resources and structure, adding focus without significant new overhead. The HKCSFC, supported by a limited initial grant matched by private sector fees, acts as a high-leverage catalyst to reduce market friction and drive the entire strategy for Hong Kong and the mainland.

2. Space Commercialisation Accelerator: HK Government & NewSpace Accelerator Programme

- **Proposal:** Government to underwrite a focused 12-week accelerator programme, guided by OGCI, (possibly with Cyberport, and HKSTP, with



curriculum input from the HKCSFC, OASA, and even PolyU and HKU. Its unique model would:

- Recruit top NewSpace tech startups and entrepreneurs from the Mainland and abroad.
- Pair them with "innovation challenge teams" from key HKSAR departments (e.g., Transport & Logistics, Development, Environment, Financial Services) that have defined problems solvable with space data/assets (e.g., traffic flow, site monitoring, carbon verification).
- **Fiscal Rationale:** A low-risk, high-impact intervention. Government underwriting de-risks private co-investment. It creates immediate, government-backed demand, validates business models, and attracts startups to base their global/commercial operations in Hong Kong. Success leads to procurement opportunities and scalable commercial solutions. (*OASA already has the IP for such a type of accelerator and is happy to license it to the organisers.*)

3. Value-Creation Engine: GBA Space Data for ESG Finance Initiative

- **Proposal:** Allocate targeted funding for a pilot project, managed by the HKCSFC, to procure and standardise satellite Earth observation data for specific, high-demand applications. The focus will be on verifying nature-based carbon credits (blue carbon, afforestation) and monitoring ESG compliance for GBA supply chains.
- **Fiscal Rationale:** A focused pilot (e.g., \$50 million) demonstrates commercial viability and de-risks private investment. It creates immediate demand for data, supports our green finance hub ambitions, and spawns downstream tech and advisory SMEs, generating new tax revenues and employment.

4. Foundational Legal Infrastructure: Hong Kong Space Asset Registry & Arbitration Panel

- **Proposal:** Support the Department of Justice and HKIAC in developing a voluntary, digital registry for space assets and a specialist arbitration panel



with bespoke rules. This provides the legal certainty of asset title and dispute resolution required for a significant investment.

- **Fiscal Rationale:** Modest funding for legal drafting and international promotion. This cements Hong Kong's role as a leading legal hub, generating high-value professional services revenue (legal, advisory, arbitration fees) and making our jurisdiction the default choice for complex space contracts. (*AAIL² already has a similar proposal in place.*)

5. Sustainable Talent Pipeline: NewSpace Professional Accreditation Scheme

- **Proposal:** Co-fund (with industry) a professional conversion scheme administered by universities and vocational institutes. It will provide top-up training in space tech fundamentals for finance, legal, and insurance professionals, and for engineers in project finance and international law.
- **Fiscal Rationale:** Aligns with existing talent development budgets. It addresses a critical market failure—the skills gap—ensuring our workforce leads this sector and that the high-value jobs created are captured locally.

III. Fiscal Impact & Strategic Return on Investment

This portfolio is designed for cost-effectiveness:

- **Low Capital Expenditure:** No requirement for costly physical infrastructure.
- **High Leverage:** Government seed funding and strategic underwriting de-risk and coordinate significant private sector investment and activity. The Accelerator and "Going Global" task force integration maximises impact from existing structures.
- **Tangible Returns:** New streams of professional services revenue, corporate taxes from attracted entities, and high-quality job creation.

² AAIL stands for the Asian Academy of International Law. Prof. Anthony Neoh is one of the founders.



- **Strategic Alignment:** Directly supports national goals, strengthening Hong Kong's role as a super-connector and reinforcing the "One Country, Two Systems" advantage.
- **Fiscal Leadership:** Aligns well with China's priorities in their 15th FYP and demonstrates the Secretary's resourcefulness to leverage the power of Hong Kong.

By taking these steps, Hong Kong will decisively capture a first-mover advantage in a defining future sector, delivering economic growth, professional opportunity, and enhanced global relevance.

NewSpace is new to many, and we are happy to sit down with you to provide context and share our further thoughts. We respectfully submit these proposals for your consideration and leadership.

Respectfully,

For and on behalf of the Orion Astropreneur Space Academy (Hong Kong) Limited.

A handwritten signature in black ink, appearing to read 'Richard Leung', written in a cursive style.

Prof. Richard Leung
Chairman of the Board, 2026

A handwritten signature in black ink, appearing to read 'Gregg Li', written in a cursive style.

Prof. Gregg Li
Convenor of the Council