

Speech by FS at “Innovative Blockchain-based Remittance Solution to Enhance Financial Inclusion” press conference (English only)(with photo)

Following is the speech by the Financial Secretary, Mr Paul Chan, at the "Miles apart but close at Heart – Innovative Blockchain-based Remittance Solution to Enhance Financial Inclusion" press conference today (June 25):

Jack (Executive Chairman of Alibaba Group, Mr Jack Ma), Eric (Chief Executive Officer and Executive Chairman of Ant Financial Services Group, Mr Eric Jing), distinguished guests, ladies and gentlemen,

Good afternoon. It is my pleasure to join you today, witnessing another breakthrough application of Fintech in Hong Kong: using blockchain technology for cross-border remittances.

While this application would be a pilot at first, allowing Alipay users in Hong Kong to send money to the Philippines, it will in the long run offer a more efficient and cost-effective way of transferring money around the world. Hong Kong is the international financial centre in Asia and it is most fitting that Ant Financial has chosen to kick off this pilot project right here.

While we take pride in Hong Kong's robust and effective financial regulatory regime that is well in line with international standards, our financial regulators are doing their part to facilitate and foster innovations in the industry. With their dedicated liaison platforms and sandboxes, our financial regulators are allowing financial services providers to conduct pilot trials on Fintech solutions in a confined environment.

For instance, the Fintech Supervisory Sandbox of the Hong Kong Monetary Authority (HKMA) is well loved, and well used by banks. Through the Sandbox, banks and partnering Fintech firms are able to gather real-life data and user feedback on their new Fintech-driven solutions more easily, so that they can make refinements to their proposed solutions as appropriate before full market launch. In just two years' time, 22 new technology products and services have been tested in HKMA's Sandbox and have been rolled out to the market.

I am glad to see that Fintech is bringing greater convenience to the public as witnessed in the e-wallet market over the past few years. It all began in 2015 when the Payment Systems and Stored Value Facilities Ordinance came into operation which provided a clear and certain licensing and regulatory framework for stored value facilities (SVFs). With clarity and certainty in regulation, SVF licensees commenced their safe and sound

operation and have now developed a secure, efficient and diversified electronic payment industry laying a solid and strong foundation for the development of the e-wallet market. Alipay Hong Kong certainly played a key role in the course as it is one of the first SVF licensees in Hong Kong.

Healthy competition amongst strong SVF operators has led to innovations and new services such as electronic coupons, family group e-wallet management, online shopping, insurance and QR code payment, all to the benefit of the general public. It is therefore not surprising that the number of SVF accounts in use has jumped by 15.4 per cent in just a year's time to 46.7 million by end-2017 while the value of transactions increased by 27.7 per cent to over \$38 billion.

More exciting developments in Hong Kong are in the pipeline, with the launch of the Faster Payment System (FPS) in September this year. This new financial infrastructure will provide full connectivity between banks, SVF operators, merchants and consumers. Participating banks and SVF operators can provide real-time credit transfer and real-time direct debit services to facilitate payments between merchants and customers, as well as peer-to-peer transfers through the FPS platform.

The HKMA is also working with the industry to explore how to enable merchants to use a single QR code for accepting mobile payments from different SVF operators. This is conducive to a wider adoption of QR code payment in Hong Kong and will enhance user experience.

Ladies and gentlemen, an exciting new era of Fintech awaits. The Hong Kong SAR Government will continue to do its best as a promoter and facilitator for Fintech companies in Hong Kong to grow and prosper.

Thank you very much indeed.



Xinqin opera and traditional Cantonese opera to tell tale of two genres

The Chinese Opera Festival, presented by the Leisure and Cultural Services Department, will stage "A Tale of Two Genres – Xiqin Opera and Traditional Cantonese Opera" in August. Featuring Lu Weiping, a Representative Bearer of Xiqin Opera as a National Intangible Cultural Heritage, and Cantonese opera virtuosi Law Ka-ying, Wan Fai-yin, Cheng Wing-mui, the performances will highlight interrelated aspects of the two genres while revealing elements of their shared origin.

Xiqin opera is a regional genre that originated from the Xiqin singing style of the Ming dynasty (i.e. qinqiang and Gansu singing styles). It spread to the Hai (Lu) Feng area of Shanwei and evolved along with local folk arts and customs. The genre gradually developed its own form during the early Qing dynasty. It was inscribed in the first listing of National Intangible Cultural Heritage in China in 2006. The Haifeng County Xiqin Opera Heritage Centre (formerly Haifeng Xiqin Operatic Troupe) is at present the only professional group specialising in Xiqin opera. Its Director, Lu Weiping, will lead the troupe's performance in Hong Kong.

In this programme, shared aspects of classic plays of Xiqin opera and traditional Cantonese opera will be performed on stage. "Executing Own Son at the Gate", a "pihuang" play of Xiqin opera, shares similar content with "Liulang Executing His Son", a Cantonese opera play in the classic singing style. The former is also a representative play of the "laosheng" (old male) role, while the latter has its own distinctive singing styles, including the reprimanding tone of Yang Liulang and the singing style of Mu Gua. "Executing Zheng En", which is sung in "xipi", resembles the Cantonese opera play "Executing the Duke's Second Brother", which is sung in the classic singing style. "Executing the Duke's Second Brother" is one of the "Eighteen Plays of Cantonese Opera" of the Qing dynasty, as well as one of the earliest great Cantonese opera plays in the classic singing style of Guangdong. Traditional skilful routines will be demonstrated in excerpts of Xiqin opera. In "Liu Xi Chastising His Sons", for example, Liu Xi performs the traditional chair stunt, using only his waist, hips and legs to move and turn the chair.

Details of the programme are as follow:

August 3 (Friday) 7.30pm

Cantonese opera in classic singing style "Liulang Executing His Son" and Xiqin opera "Executing Zheng En"

August 4 (Saturday) 7.30pm

Xiqin opera "Executing Own Son at the Gate" and Cantonese opera in classic singing style "Executing the Duke's Second Brother"

August 5 (Sunday) 2.30pm

Xiqin opera Excerpts: "Beating Hands", "Grasping the Vanity Case", "Returning to Xiqi", "Liu Xi Chastising His Sons" and
Cantonese opera in classic singing style "A Blood Oath Sworn in Grotto"

All performances will be staged at Theatre, Ko Shan Theatre. Tickets priced at \$150, \$220, \$280 and \$340 are now available at URB TIX (www.urbtix.hk).

For telephone credit card bookings, please call 2111 5999. For programme enquiries and concessionary schemes, please call 2268 7325 or visit (www.cof.gov.hk).

A Meet-the-Artists session on "Xinqin opera and Cantonese opera with Analogous Repertories" featuring Law Ka-ying and Lu Weiping will be held at 7.30pm on August 2 (Thursday) at AC2, Level 4, Administration Building, Hong Kong Cultural Centre. Admission is free. Limited seats will be available on a first-come, first-served basis.

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Monday, June 25, 2018 is 101.4 (up 0.3 against last Saturday's index).

The effective exchange rate index for the Hong Kong dollar on Saturday, June 23, 2018 is 101.1 (up 0.1 against last Friday's index).

LegCo Public Accounts Committee to hold public hearing tomorrow

The following is issued on behalf of the Legislative Council Secretariat:

The Legislative Council (LegCo) Public Accounts Committee (PAC) will hold a public hearing on "Management of restored landfills" (Chapter 1) of the Director of Audit's Report No.70 at 9am tomorrow (June 26) in Conference Room 2 of the LegCo Complex.

Fifteen witnesses have been invited to appear before the above hearing to respond to points raised in the Report and answer questions asked by PAC members.

The programme for the public hearing is as follows:

Date: June 26 (Tuesday)

Time: 9am

Venue: Conference Room 2

Subject: Management of restored landfills (Chapter 1 of the Director of Audit's Report No.70)

Witnesses:

Secretary for the Environment

Mr Wong Kam-sing

Under Secretary for Home Affairs

Mr Jack Chan

Principal Assistant Secretary (Recreation and Sport) 2, Home Affairs Bureau
Ms Linda Law

Director of Environmental Protection

Mr Donald Tong

Deputy Director of Environmental Protection (2)

Mrs Vicki Kwok

Acting Assistant Director (Environmental Infrastructure), Environmental
Protection Department

Mr Fong Kin-wa

Assistant Director (Nature Conservation and Infrastructure Planning),
Environmental Protection Department

Dr Samuel Chui

Officer-in-charge (Restored Landfill Revitalisation), Environmental
Protection Department

Mr Alfred Ng

Acting Director of Leisure and Cultural Services

Ms Ida Lee

Chief Executive Officer (Planning) 2, Leisure and Cultural Services
Department

Ms Linda Cheung

Director of Architectural Services

Mrs Sylvia Lam

Project Director 3, Architectural Services Department

Mr Edward Tse

Chief Project Manager 302, Architectural Services Department

Mr Chris Liu

Deputy Director (1), Home Affairs Department
Miss Charmaine Wong

Assistant Director (2), Home Affairs Department
Ms Eugenia Chung

PAC is chaired by Mr Abraham Shek, and its Deputy Chairman is Mr Kenneth Leung. Other members include Mr Paul Tse, Mr Steven Ho, Mr Lam Cheuk-ting, Mr Shiu Ka-fai and Ms Tanya Chan.

Toll ticket arrangements for Tate's Cairn Tunnel upon franchise expiry

The Transport Department (TD) today (June 25) announced the toll ticket arrangements upon the expiry of the Tate's Cairn Tunnel (TCT) franchise.

The TCT will be taken over by the Government on July 11 and become a government tunnel. The toll tickets issued by the current franchisee (i.e. the Tate's Cairn Tunnel Company Limited) will not be accepted for payment of tolls at the TCT from July 11. At the same time, government tunnel toll tickets can be used at the TCT. Eligible drivers with disabilities can produce free tickets for government tunnels to toll collectors when using the TCT from the same day.

The government tunnel toll tickets for the TCT, which can be used from July 11, are now available for sale at the government tunnel ticket sale outlets.

For enquiries on the toll levels of the TCT, members of the public may browse the TD's website at www.td.gov.hk. For enquiries on the toll tickets issued by the current franchisee, please contact the Tate's Cairn Tunnel Company Limited at 2632 5214.