

Land Registry releases statistics for October

The Land Registry today (November 2) released its statistics for October 2023.

Land registration

- * The number of sale and purchase agreements for all building units received for registration in October was 2,938 (-24.5 per cent compared with September 2023 and -33.9 per cent compared with October 2022)
- * The 12-month moving average for October was 4,835 (2.5 per cent below the 12-month moving average for September 2023 and 13.0 per cent below that for October 2022)
- * The total consideration for sale and purchase agreements of building units in October was \$29.0 billion (-2.5 per cent compared with September 2023 and -11.5 per cent compared with October 2022)
- * Among the sale and purchase agreements, 2,123 were for residential units (-25.8 per cent compared with September 2023 and -32.6 per cent compared with October 2022)
- * The total consideration for sale and purchase agreements in respect of residential units was \$24.5 billion (+7.5 per cent compared with September 2023 but -9.9 per cent compared with October 2022)

Statistics on sales of residential units do not include sale and purchase agreements relating to sales of units under the Home Ownership Scheme, the Private Sector Participation Scheme, the Tenants Purchase Scheme, etc, unless the premium of the unit concerned has been paid after the sale restriction period.

Figures on sale and purchase agreements received for the past 12 months, the year-on-year rate of change and breakdown figures on residential sales have also been released.

As deeds may not be lodged with the Land Registry until up to 30 days after the transaction, these statistics generally relate to land transactions in the previous month.

Land search

- * The number of searches of land registers made by the public in October was 365,510 (+10.1 per cent compared with September 2023 but -13.7 per cent compared with October 2022)

The statistics cover searches made at the counter, through the self-service terminals and via the Integrated Registration Information System Online Services.

[Hong Kong FinTech Week 2023 \(with photos\)](#)

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) today (November 2) co-organised Hong Kong FinTech Week 2023 with the InvestHK. The eighth edition of the city's flagship fintech event gave participants worldwide opportunities to build partnerships, exchange ideas and share their fintech journeys.

During the FinTech Week, the HKMA announced the following initiatives to strengthen Hong Kong's fintech capabilities:

FPS x PromptPay QR Payment: The HKMA is working closely with the Bank of Thailand to link Hong Kong's Faster Payment System (FPS) and Thailand's PromptPay, in a new service called "FPS x PromptPay QR Payment", scheduled for launch on December 4. Users will be able to scan and pay at over eight million PromptPay merchants in Thailand using their mobile phones. Thai visitors to Hong Kong will also be able to use PromptPay to pay at any of the around 50 000 FPS merchants in Hong Kong who choose to accept FPS QR payments. The new service will provide an additional safe and efficient payment channel, enhancing customer experience in retail payment and fostering economic development and entrepreneurial prospects in the two economies.

Tokenisation in the bond market: After the successful issuance of the world's first tokenised government green bond earlier this year, the HKMA is in discussions with market participants to explore further use cases for distributed ledger technology (DLT) in capital markets, including a second tokenised government green bond. A report on the inaugural tokenised issuance was published in August as a blueprint for future similar issuances in Hong Kong.

e-HKD Pilot Programme: Working with the industry, the HKMA has completed Phase 1 of the e-HKD Pilot Programme and published an overall assessment of the pilots and the way forward earlier this week. Phase 2 of the programme, which the HKMA intends to commence next year, will explore new use cases for an e-HKD and delve deeper into select pilots from Phase 1.

The "Fintech 2025" strategy (Note 1) unveiled in June 2021 has also made the following positive progress in driving Hong Kong's fintech development:

All banks go fintech: Building on the results of the Tech Baseline Assessment announced last year, the HKMA continues to proactively encourage fintech adoption in the banking industry, and published a new Fintech Promotion Roadmap in August 2023. The roadmap sets out the initiatives the HKMA will undertake over the next 12 months to promote the adoption of wealthtech, insurtech, greentech, artificial intelligence and DLT. To further promote the development of Open API, the HKMA launched centralised datasets on physical branches and Automated Teller Machines of 20 retail banks in Hong Kong via Open API in September 2023 for public use. In addition, the HKMA has been actively exploring the use of Suptech to enhance the effectiveness and forward-looking capability of its supervisory processes through the adoption of new technologies. An end-to-end digital supervisory platform and a Robotic Process Automation solution have been launched. Three initiatives under the AML Suptech strategy; Macro Analytics, a submission platform for financial-crime risk data, and a horizon scanning tool, have been implemented to safeguard the integrity of the banking system and reduce harm from financial crime. A speech-to-text solution for use in supervision and enforcement work was also launched in October 2023.

Future-proofing Hong Kong for Central Bank Digital Currencies (CBDCs): Aside from the progress on the retail front, the HKMA has achieved a number of milestones in the phased development of wholesale CBDCs (Note 2). Project mBridge is now at the Minimum Viable Product (MVP) development phase and the HKMA aims to launch the MVP next year to pave the way for a production-ready system.

Creating the next-generation data infrastructure: Commercial Data Interchange (CDI), the HKMA's next-generation financial data infrastructure promoting the development of a data-driven economy, is making great strides. Since launch in October 2022, the number of CDI participating banks has reached 26, and key data providers have doubled from six to 12. The CDI utilisation rate has also increased nearly ninefold to 8 900 data requests from close to 1 000 during the pilot phase, with estimated credit approvals exceeding HK\$8 billion at the end of September 2023. To maximise the benefits of CDI, the HKMA is exploring how it can be used to further digitalise and streamline various banking processes such as Know Your Customer and working closely with the Insurance Authority to enable cross-sectoral data sharing. By the end of 2023, the Companies Registry will become the first government data source to be connected to CDI via the Government's Consented Data Exchange Gateway.

Expanding the fintech-savvy workforce: The HKMA works to foster fintech talent in Hong Kong through initiatives including the Fintech Career Accelerator Scheme and the Industry Project Masters Network. Over 1 300 students have benefitted from these schemes so far.

Nurturing the ecosystem with funding and policies: The Fintech Supervisory Sandbox (FSS) 3.0 and FSS 3.1 Pilot offer funding support to fintech projects. So far, six projects providing solutions for Chinese-character name screening for AML, regtech and risk management have been

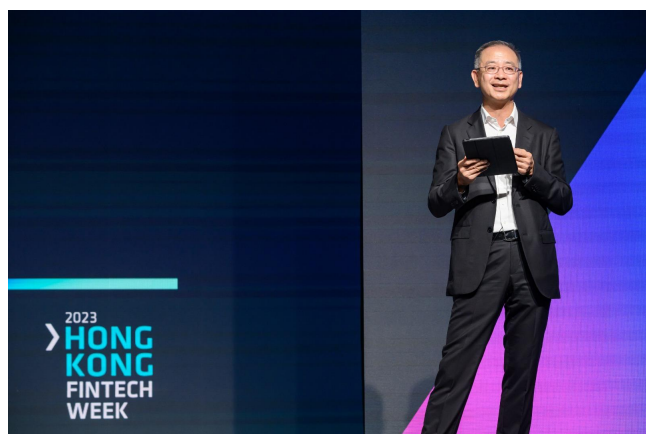
approved. To facilitate the sustainable and responsible development of the virtual asset (VA) sector in Hong Kong, the HKMA has been moving forward with full steam in formulating the regulatory regime for stablecoin issuers, and will release a public consultation paper inviting feedback on the proposed regulatory approach and parameters. In addition, the HKMA and the Securities and Futures Commission have jointly issued updated guidance on intermediaries' VA-related activities, and the HKMA is consulting the industry on guidance on other digital asset-related activities conducted by banks with a view to providing protection for consumers.

The Chief Executive of the HKMA, Mr Eddie Yue, said, "This year's edition of the Hong Kong FinTech Week marks 30 years since the establishment of the HKMA. It comes at a time of rapid innovation, with new ideas and opportunities redefining the fintech world. It is essential for our financial services sector to adapt to these changes so that we can continue to be at the forefront of development and achieve the vision set out in the 'Fintech 2025' strategy."

Note 1: The strategy aims to encourage the financial sector to adopt technology comprehensively by 2025, as well as to promote the provision of fair and efficient financial services for the benefit of Hong Kong citizens and the economy.

Note 2: A brochure highlighting the key achievements and future roadmap of Project mBridge was published in October 2023:

www.hkma.gov.hk/media/eng/doc/key-functions/financial-infrastructure/mBridge_publication.pdf



Government announces major initiatives to foster co-development of fintech and real economy (with photo)

The Financial Services and the Treasury Bureau (FSTB) today (November 2) announced a series of major initiatives for fintech development in Hong Kong in the Hong Kong FinTech Week 2023. These initiatives aim at fostering co-development of fintech and the real economy, including launching a new Integrated Fund Platform (IFP); welcoming cross-boundary e-CNY applications to benefit inbound and outbound visitors between the Mainland and Hong Kong; and promoting real economy related applications and innovations by the Virtual Assets (VA) and Web3.0 sector, as well as further development of the regulatory framework.

The Financial Secretary, Mr Paul Chan, said, "The Government has been committed to promoting fintech development in Hong Kong, with a view to enhancing the competitiveness of Hong Kong's financial services industry and the real economy, empowering financial institutions to accelerate digitalisation and product innovation, better serving the real economy, and providing members of the public with more convenient, less expensive, and inclusive financial services. The various relevant policy measures promoted in recent years clearly demonstrate our firm support for the rapid and robust development of the fintech sector."

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, said, "To tie in with the theme 'Fintech Redefined.' of Hong Kong FinTech Week 2023, the FSTB further announced the comprehensive fintech initiatives this year to reflect our strategic views and visions for taking the market forward. From launching a new IFP to welcoming e-CNY applications, and promoting real economy related applications and innovations by the VA and Web3.0 sector, these initiatives will contribute to the real economy and provide further impetus for growing our fintech ecosystem."

Launching a new IFP

The new IFP to be developed and operated by the Hong Kong Exchanges and Clearing Limited (HKEX), is a new financial infrastructure for the Hong Kong market. The new IFP targets the retail fund sector, covering the front-to-back distribution life cycle and value chain, and is proposed to better serve investors, fund managers, distributors and other stakeholders within the ecosystem. The integrated platform will serve the roles of a communication hub; a business platform; and an information portal for further strengthening Hong Kong's position as an international asset and wealth management centre.

Welcoming cross-boundary e-CNY applications to benefit inbound and outbound

visitors between the Mainland and Hong Kong

FSTB is pleased to note that Octopus Cards Limited (OCL) and Bank of China (Hong Kong) (BOCHK) will seek to explore new e-CNY applications. Earlier this year, OCL has partnered with Bank of China Shenzhen Branch to facilitate the purchase of e-CNY hard wallets by Hong Kong residents, via Self-service Card Issuing Machines in Lo Wu, Shenzhen using the Octopus mobile application. Also, BOCHK has launched e-CNY services facilitating payment by inbound Mainland visitors to retail merchants with e-CNY wallets in Hong Kong, and offering Hong Kong customers with a convenient option to top up e-CNY wallets from their Hong Kong personal bank accounts.

As a next step, subject to regulatory approval and technical readiness, the FSTB welcomes OCL to provide an inbound solution facilitating Mainland tourists' use of e-CNY in Hong Kong through topping up Octopus Cards in tourist mobile application.

Promoting real economy related applications and innovations by the VA and Web3.0 sector, and further development of the regulatory framework

The Government encourages market participants to explore the potential of the underlying technologies of Web3.0 to empower and enable real economy related applications and innovations. In this regard, a dedicated session will be arranged in this year's FinTech Week for market participants to share their products and project ideas.

On the regulatory side, with regard to tokenisation, to enhance clarity for the market, the Securities and Futures Commission (SFC) will issue a circular on intermediaries engaging in tokenised securities-related activities and a circular on tokenisation of SFC-authorized investment products to shed light on the regulatory expectations from an investor protection perspective. The Government also intends to expand the regulatory remit to cover the buying and selling of VAs beyond trades taking place on VA trading platforms. As for the regulatory regime for stablecoin issuers, the FSTB and the Hong Kong Monetary Authority (HKMA) will issue a joint consultation on the legislative proposal for implementing the regime in due course. On banks' provision of digital asset custodial services, the industry is being consulted on HKMA's guidance to ensure client assets are adequately safeguarded and that the risks involved are properly managed.

The presentation delivered by Mr Hui in the Main Conference of FinTech Week can be found in annex.



[Speech by FS at Hong Kong FinTech Week 2023 \(English only\)\(with photos\)](#)

Following is the speech by the Financial Secretary, Mr Paul Chan, at the Hong Kong FinTech Week 2023 today (November 2):

Distinguished guests, ladies and gentlemen,

Good afternoon. I am delighted to be here, once again, for Hong Kong Fintech Week.

What a global gathering this is. I'm told that attendance is over 30 000 and participants come from more than 90 countries and regions, with over 30 delegations joining, either in person or virtually.

The theme of this year's Fintech Week is "Fintech Redefined". Fintech is not just financial technology's portmanteau. It's also a catalyst for driving change and innovation, for making financial services more accessible, inclusive, efficient and user-friendly. It is about bringing real impact and tangible benefits to people's lives.

From livestock financing to pet insurance

The fintech ecosystem here in Hong Kong is, I believe, illustrative of this important undertaking.

At last count, we are home to about 1 000 fintech companies and start-ups, representing an increase of 25 per cent as compared to the number last year. Many of their founders come from different parts of the world.

But impressive numbers aside, there are different real-life cases showing how our fintech firms are bringing changes and empowering individuals, businesses and the community at large.

One example is what few may associate Hong Kong with: that is, livestock financing.

Traditionally, it would be difficult for farmers, particularly those in remote regions, to obtain loans from financial institutions. But a local tech company in our Cyberport has used blockchain and IoT (Internet of Things) technologies to develop a real-time system for monitoring the location, health and growth of livestock. The data has provided sufficiently credible information to lenders to accept livestock as collateral.

And in a similar vein, another fintech company nurtured in Science Park is using AI (artificial intelligence) and data technology to develop a credit risk model to help SMEs (small-to-medium enterprises) obtain loans without collateral, thereby enabling them to accelerate their growth and development.

Besides, virtual banks in Hong Kong are providing convenient, innovative and competitive services to individuals and SMEs. They have indeed driven traditional financial institutions to move faster in digitalisation and product innovation.

In fact, virtual banks are getting increasingly popular. In a survey conducted by the Hong Kong Association of Banks, the majority of respondents are now seeing virtual banks as convenient, innovative and cheaper alternatives. And more SMEs have begun integrating virtual banking services into their business operations.

You would be delighted to hear that our virtual banks are expanding into markets into Southeast Asia as well. And recently two have made to the global top 10 in mobile banking applications.

And don't forget the four virtual insurance companies in Hong Kong. They are offering innovative products in areas that may be left out by traditional insurers, like coverage for pets including dogs, cats and turtles.

During this Fintech Week, through speeches, conversations, presentations, dialogues and business matching, I am sure you will hear more fascinating stories of our fintech firms, and uncover the vast potential and collaboration opportunities that they offer.

As a facilitative regulator

Ladies and gentlemen, Hong Kong's vibrant landscape of fintech, I am proud to say, is the result of concerted efforts of the Government, the public sector and the private sector. While our fintech entrepreneurs are innovative, energetic and resourceful, the Government and financial regulators see ourselves not just a gatekeeper for investor and consumer protection; but also a facilitator to help entrepreneurs succeed.

That includes facilitative policies and initiatives such as regulatory sandboxes in collaboration with authorities in the Greater Bay Area to test cross-boundary solutions. That also includes providing seed funding, investor

matching, incubation and professional support services for our fintech startups.

And no less important, we are actively driving new initiatives to spur fintech development.

An example is the Commercial Data Interchange, or CDI, launched by the Hong Kong Monetary Authority (HKMA) in October last year. It allows companies, particularly SMEs, to share their sales, logistics, transaction and other data with banks on a consent basis, making it easier for them to access loans and other financial services. In one year, CDI had enabled more than 8 900 loan applications and reviews, with an aggregate credit approval amount exceeding HK\$8 billion.

We are encouraging the use of blockchain technology in financial products, and lead by example. The tokenised green bonds issued in February this year were globally the first such bonds issued by any government. This issuance clearly demonstrated the benefits of using blockchain in capital-markets transactions – it took only one business day to complete the settlement as opposed to five days in the case of conventional bonds.

In the Policy Address delivered last week, the Chief Executive announced another piece of good news. We are expanding the proof-of-concept subsidy schemes to support green fintech. That is bound to expand our green fintech ecosystem, and will further reinforce our status as an international green finance centre.

Going beyond Hong Kong

While our fintech firms have been keen on opening up new markets elsewhere, we are also stepping up cross-boundary collaboration with our counterparts.

The HKMA, for example, is co-operating with the People's Bank of China to expand the use of digital renminbi, or e-CNY, in Hong Kong's cross-boundary retail payments. Recently, an e-CNY pilot project was initiated at the Hangzhou Asian Games for use by the Hong Kong delegation. Members were able to top up their e-CNY wallet via the FPS, our Faster Payment System.

We are encouraging more e-CNY applications. For example, facilitating the use of e-CNY in Hong Kong by Mainland visitors.

And the HKMA and the Bank of Thailand will soon launch a bilateral linkage between FPS and Thailand's PromptPay within this year. It will allow Hong Kong residents to make retail payments with the FPS in Thailand, and vice versa for Thai visitors using their PromptPay.

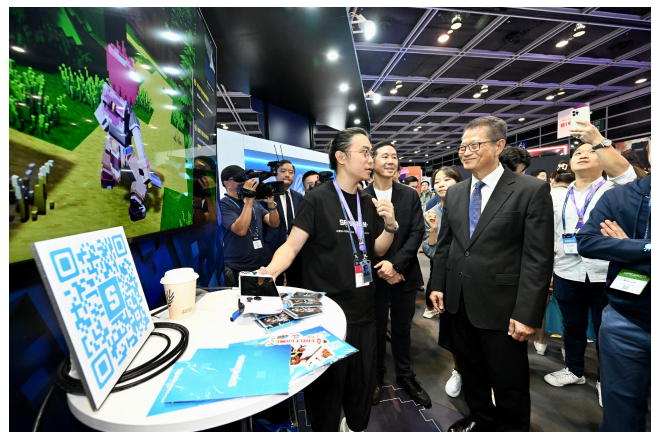
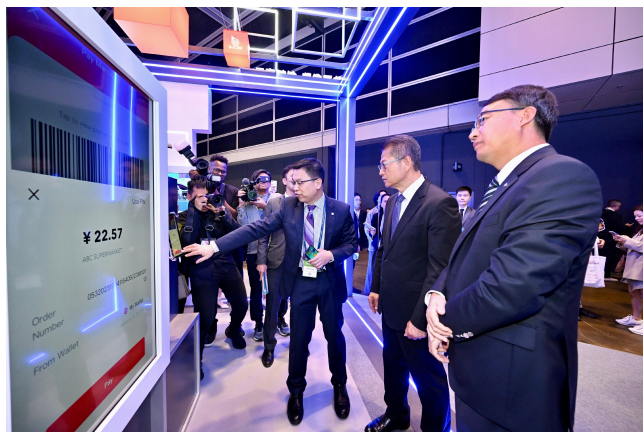
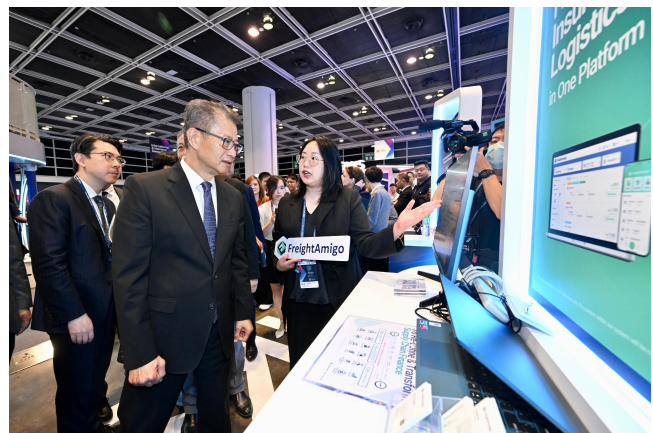
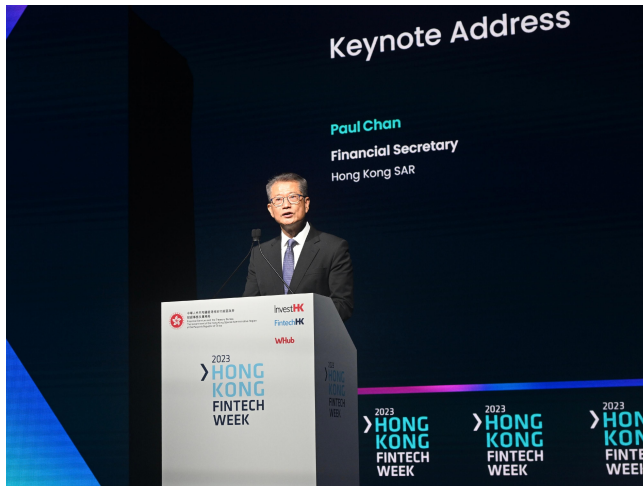
Concluding Remarks

Ladies and gentlemen, I have touched on just a few of the recent developments, and the far-reaching promise, of Hong Kong's burgeoning fintech

sector. Throughout this week of information, intelligence, insight and experience sharing, you will understand why Hong Kong is Asia's fintech future.

I wish you all a memorable Fintech Week, and the best of business, and health, in the coming years.

Thank you.



[Immigration Department clarifies fake news on Supplementary Labour Scheme](#)

The Immigration Department (ImmD) is aware today (November 2) of a letter purportedly issued by the ImmD being circulated in the community claiming that the Government would stop accepting applications under the Supplementary Labour Scheme (SLS) from November onwards. The ImmD clarifies that the message is totally groundless and fictitious.

The ImmD spokesman emphasises that the ImmD has never issued the letter concerned to any person or organisation, and reminds the public not to be misled by the fake message. The ImmD severely condemns the parties who made

use of the false document to deliberately disseminate incorrect and untrue information. Resolute follow-up action will be taken.

The SLS has been renamed as the Enhanced Supplementary Labour Scheme (ESLS) which has started accepting applications since September 4, 2023. The approvals-in-principle previously granted under the SLS remain valid for the purpose of application for employment in Hong Kong under the ESLS within the periods specified in the approval-in-principle letters. For details of the ESLS, please visit the website of the Labour Department (LD) www.labour.gov.hk or call the Supplementary Labour Division of the LD at 2150 6363. For details on visa/entry permit applications for employment as an imported worker under the ESLS, please visit the ImmD's website www.immd.gov.hk/eng/services/visas/imported_worker.html or call the ImmD's enquiry hotline 2824 6111.