

## SFST attends Lujiazui Forum to foster collaborative development of Shanghai and Hong Kong (with photos)

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, attended the 2025 Lujiazui Forum and related events in Shanghai yesterday (June 18) and today (June 19). Addressing a seminar titled "Collaborative Development of Shanghai and Hong Kong International Financial Centres" today (June 19), he said that Hong Kong and Shanghai are unlocking many more new opportunities for collaborative development with their positions as the country's "dual engine" financial centres, providing strong support for the country's "dual circulation" strategy. Mr Hui also met with relevant heads of financial institutions during his stay in Shanghai.

This year's Lujiazui Forum is themed "Financial Opening-up and Cooperation for High-Quality Development in a Changing Global Economy". Mr Hui attended the opening ceremony and plenary session of the Forum yesterday and addressed today's seminar where the Hong Kong Financial Services Development Council and the Shanghai Research Center for Financial Stability and Development jointly released a research report on the "Synergistic Development of Shanghai and Hong Kong as International Financial Centres in the New Era".

Speaking at the Plenary Session IV titled "Deepening the Cooperation between Shanghai and Hong Kong as International Financial Centers" yesterday, Mr Hui said, "Riding on the solid foundation of Stock Connect, mutual-market access between financial markets on the Mainland and Hong Kong has been expanding in scope and capacity. Programmes such as Bond Connect, the inclusion of Exchange Traded Funds into Stock Connect, and Swap Connect have been implemented. These programmes enhance not only the product offering for domestic and foreign investors but also the attraction for more capital influx into the capital markets of the two places, promoting long-term development of the markets.

"At the same time, Hong Kong needs to further enrich the offerings of its offshore Renminbi (RMB) market to facilitate the adoption of RMB by global market participants. To this end, we will step up efforts in four areas, namely enhancing offshore RMB liquidity, increasing products, improving infrastructure, and expanding new markets."

When talking about stablecoins and central bank digital currencies (CBDCs), Mr Hui pointed out that by utilising the innovative capabilities of private institutions, stablecoins are meant to create and implement new use cases for the digital economy with the integration of the financial system with the real economy. Hong Kong's stablecoin regulatory framework takes into account both innovation and systemic risk prevention, covering the establishment of a transparent reserve asset system, the introduction of

independent third-party institutions for regular audits, and the establishment of risk assessment mechanisms. Separately, the Hong Kong Monetary Authority is currently engaging the industry to carry out initial exploration on wholesale CBDCs.

"In future, we anticipate closer collaboration with Shanghai in areas such as financial innovation and green finance to achieve synergy effects."

Yesterday morning, Mr Hui signed the Action Plan for Collaborative Development of Shanghai and Hong Kong International Financial Centres on behalf of the Hong Kong Special Administrative Region Government with Shanghai to promote collaborative development, with a view to further forming a "dual hub" landscape of the two financial centres of Shanghai and Hong Kong, for better promotion of the internationalisation of RMB, thus contributing to a joint effort to building the country into a financial powerhouse. The Action Plan covers a number of measures, including supporting the Shanghai Clearing House (SHCH) to strengthen co-operation with Hong Kong banks and offshore Chinese banks in Hong Kong, supporting Mainland banks and financial institutions headquartered in Shanghai to set up regional headquarters in Hong Kong, and pressing ahead with the linkage of the Faster Payment System in Hong Kong with the Internet Banking Payment System on the Mainland.

During his stay in Shanghai, Mr Hui also visited several financial institutions, including the Shanghai Gold Exchange, the SHCH, and the Shanghai Futures Exchange, and met with Deputy Chief Executive of the Bank of China (Hong Kong) Mr Wang Huabin, and the President of Bank of Communications, Mr Zhang Baojiang, to discuss and exchange views to explore opportunities and models for co-operation regarding matters such as promoting gold market development in Hong Kong, enhancement to the offerings of the offshore RMB centre, and fostering collaborative development with the Mainland in financial derivatives and futures markets.

Mr Hui will return to Hong Kong this afternoon.





