

SFST promotes HK's measures for integrating traditional and digital finance at Web Summit Vancouver (with photos)

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, attended the Web Summit Vancouver on May 30 (Vancouver time) in Vancouver, Canada, and appealed to tech investors and leaders to grasp the vast business opportunities in the vibrant fintech ecosystem in Hong Kong.

The Web Summit, a mega event for the tech sector, attracted over 10 000 tech investors, entrepreneurs and industry leaders across the world each time it is hosted. This is the first time the Summit has been held in Vancouver. Mr Hui engaged in a panel discussion session titled "Local to global: Strategies for tech success", which was joined by the Minister of Jobs, Economic Development and Innovation of the Province of British Columbia, Canada, Ms Diana Gibson. They had an illuminating discussion on the various approaches taken in building dynamic fintech economies, ranging from developing talent, attracting investment to creating opportunities.

Mr Hui said that as one of the top three international financial centres and a leading international green finance hub, Hong Kong is pioneering the integration of traditional and digital finance with a view to strengthening its position as Asia's gateway for financial innovation. The city is striving to accelerate green and sustainable finance and virtual asset development, with a view to making them key components of the diversified financial value chain. The Hong Kong Monetary Authority has already commenced sandbox experimentation of Project Ensemble, which is a new wholesale central bank digital currency project to support the development of the tokenisation market in Hong Kong.

The fintech ecosystem is thriving in Hong Kong, with around 1 100 fintech companies and start-ups, including 10 licensed virtual asset trading platforms, eight digital banks and four virtual insurers. Pledged to continue playing a leading role in facilitating green and sustainable financing and investment for the global agenda of green transition, Hong Kong issued a policy statement last October to set out its policy stance and approach on the responsible application of artificial intelligence in the financial market. The Government also launched a roadmap last December to require publicly accountable entities (PAEs) to adopt the International Financial Reporting Standards – Sustainability Disclosure Standards (ISSB Standards) and to provide a well-defined pathway for large PAEs to fully adopt the ISSB Standards no later than 2028. This brings Hong Kong among the first jurisdictions to align its local requirements with ISSB Standards. As an initial step, the Stock Exchange of Hong Kong Limited has already started to implement in phases new climate disclosure requirements to reflect the ISSB

Standard No. 2: Climate-related Disclosures since this January.

Mr Hui also updated the Summit on the latest passage of legislation last week establishing a licensing regime for fiat-referenced stablecoins issuers in Hong Kong, as a way to further enhance Hong Kong's regulatory framework on virtual asset activities for supporting the healthy, responsible and sustainable development of Hong Kong's stablecoin and the broader digital asset ecosystem. Hong Kong is among the first batch of regions to have introduced stablecoin legislation and strives to fully implement the licensing regime within this year, with a view to approving the first batch of licences as soon as practicable.

Looking forward, Hong Kong will soon promulgate a second policy statement on the development of virtual assets to explore the convergence of traditional finance and virtual assets. A consultation on the licensing regimes for virtual asset over-the-counter trading services and custodian services will also be conducted within this year.

During his stay at the Summit, Mr Hui visited exhibition booths manned by Hong Kong delegates. He was pleased to learn that the Hong Kong delegates received encouraging feedback over the past few days, reflecting the world-class standard of Hong Kong fintech talent and their appeal to investors.

In the afternoon, Mr Hui paid a courtesy call to the Consul General of the People's Republic of China in Vancouver, Mr Yang Shu. Mr Yang said Hong Kong has always been a window of the country to the world and will continue to be. He encouraged Hong Kong to keep up with its work in deepening international exchanges and co-operation.

Before concluding his visit to Canada, Mr Hui visited Bank of Montreal and met with the Senior Vice President & Head, Mid-Market, Commercial Bank, Mr Andrew Hung, and Senior Vice President & Head, BC & Yukon, Mr Greg Vriend. He told them that in a world full of geopolitical uncertainties, Hong Kong's financial market is emerging as a risk-off haven for investors and attracting more investments owing to its connectivity with the Mainland and the world at large, bringing greater prospects for the banking sector and different financial areas.

Mr Hui will return to Hong Kong in the early hours of May 31 (Vancouver time).

