

# Speech by FS at Consensus Hong Kong 2025 (English only)

Following is the speech by the Financial Secretary, Mr Paul Chan, at Consensus Hong Kong 2025 today (February 19):

Michael (Chairman of Consensus Hong Kong, Mr Michael Lau), Sara (Chief Executive Officer of CoinDesk, Ms Sara Stratoberdha), distinguished guests, industry leaders and innovators, friends from around the world,

It is my pleasure to be here at Consensus Hong Kong 2025. Let me begin by expressing my heartfelt gratitude to CoinDesk for choosing Hong Kong as the first Asian city for hosting this iconic conference. Your decision underscores Hong Kong's growing prominence as a global hub for Web3 and crypto innovation. This event also reflects our commitment to building a thriving digital asset ecosystem.

Vast potential of Web3 and AI

Consensus 2025 is a congregation of Web3 talent from around the world, and its agenda reflects the most pressing topics and trends in the Web3 space today. From the convergence of AI and blockchain to the tokenisation of real-world assets (RWA), crypto and consumers, and DeFi 2.0 (decentralised finance), the discussions here are set to shape the future landscape of digital finance and the digital economy.

One of the most exciting developments is, of course, the intersection of AI and blockchain, where "dencetralised AI" can unlock many new applications and opportunities. For example, AI can assist blockchain platforms in performing more accurate credit assessments, improving smart contract audits, providing tailored investment advice, and more.

Globally, the application of Web3 in finance is gaining traction. Blockchain innovations not just reduce transaction costs but also enhance market transparency, and the efficiency and accessibility of financial services. Indeed, we are seeing more institutional adoption where traditional banks, asset managers and brokers increasingly integrate digital assets into their offerings. The benefits are clear. The World Economic Forum, for example, estimates that financial institutions could free up some US\$100 billion per year by leveraging distributed ledger technology for collateral management.

Hong Kong, with its advanced financial infrastructure and robust regulatory environment, is at the forefront of this transformation. Hong Kong has already made history by issuing the world's first tokenised government green bonds in 2023, followed by a groundbreaking multi-currency issuance in 2024.

Beyond finance, Web3 plus AI innovations are inspiring a host of applications in the real economy. From streamlining supply chain management to enhancing game players' experience; and from improving healthcare management to making agricultural and industrial production more intelligent, they are empowering and transforming business operations and public services.

Rapid tech innovation does not come without challenges. Often, the progress of innovation outpaces regulatory response, creating gaps that can lead to substantial risks. The fallout from several crypto exchanges' failures in recent years serves as vivid reminders that we must pay attention to market integrity, investor protection, money laundering and cybersecurity risks, as financial products and services continue to innovate and digitalise.

On a positive note, the history of financial innovations shows that we learnt and adapted fast, and put in better guardrails and became more resilient. The key to success lies in maintaining an open, fair, balanced and forward-looking regulatory approach that is conducive to the sustainable and responsible development of financial innovation, including Web3.

#### Hong Kong's unparalleled advantages

This is the path taken by Hong Kong. While some major jurisdictions have recently begun to embrace cryptocurrencies, which has undoubtedly fuelled a boom of the crypto market, Hong Kong stands out as a market with consistent, predictable, forward-looking policies, and a balanced regulatory framework. For innovators and companies committed to building the future of Web3, or financial institutions looking to bridge traditional and digital finance, Hong Kong is where you want to be.

Our regime is premised on the "same activity, same risk, same regulation" principle, which ensures a level playing field for all market participants. In this regard, Hong Kong has already put in place a licensing regime for digital asset trading platforms. Our Securities and Futures Commission has already issued nine such licences, with more in the pipeline. We are also advancing on the regulation of stable coins, and have introduced the relevant piece of legislation.

To facilitate further innovation, regulatory sandboxes have been set up by our regulators to allow innovators to test and refine their ideas, and to get early regulatory feedback. Besides, initiatives like the Hong Kong Monetary Authority's Project Ensemble are accelerating the development of tokenisation ecosystems, covering RWAs like fixed income, investment funds, green finance and trade finance.

Indeed, this pro-innovation and collaborative regulatory approach is a unique value proposition of Hong Kong to Web3 innovators and participants.

AI is constantly evolving and increasingly applied to finance. Its convergence with blockchain will create more use cases, with both new

opportunities to be captured, and challenges to be addressed. Hong Kong has set out a clear policy stance on the use of AI in financial services. The Government and financial regulators are working closely with the industry to monitor technology and market development and establish a transparent supervisory framework.

Hong Kong's commitment to Web3 extends beyond regulation. We are investing heavily in the related infrastructure and talent development. Our Cyberport and Science Park have become vibrant hubs for Web3 innovation and fintech, while our universities and partnerships with the industry are nurturing generations of blockchain experts. Through talent admission schemes, we are also attracting top-notch professionals from around the world, ensuring that Hong Kong remains at the cutting edge of technological advancement.

#### Concluding remarks

Ladies and gentlemen, while the tides of change may ebb and flow, the quest for innovation has never stopped. The digital asset market today may somewhat resemble the early days of all great transformative paradigms: as new frontiers emerge, there will always be champions of progress and cautious observers. What remains true is that the market ultimately rewards those who dare to innovate, and adapt and persevere.

The tides of change are upon us, and Hong Kong is ready to ride the wave. As the Web3 ecosystem continues to evolve, Hong Kong will remain a stable, open and vibrant market for digital assets. I am confident that global companies and institutions will join force with us to lead its development.

Once again, my heartfelt thanks to CoinDesk for hosting this event in Hong Kong. I wish you all a productive and inspiring event over the next two days. And do remember to take some time to enjoy Hong Kong, Asia's world city. Thank you.

---

## [Speech by FS at Consensus Hong Kong 2025 \(English only\)](#)

Following is the speech by the Financial Secretary, Mr Paul Chan, at Consensus Hong Kong 2025 today (February 19):

Michael (Chairman of Consensus Hong Kong, Mr Michael Lau), Sara (Chief Executive Officer of CoinDesk, Ms Sara Stratoberdha), distinguished guests, industry leaders and innovators, friends from around the world,

It is my pleasure to be here at Consensus Hong Kong 2025. Let me begin by expressing my heartfelt gratitude to CoinDesk for choosing Hong Kong as the first Asian city for hosting this iconic conference. Your decision underscores Hong Kong's growing prominence as a global hub for Web3 and crypto innovation. This event also reflects our commitment to building a thriving digital asset ecosystem.

Vast potential of Web3 and AI

Consensus 2025 is a congregation of Web3 talent from around the world, and its agenda reflects the most pressing topics and trends in the Web3 space today. From the convergence of AI and blockchain to the tokenisation of real-world assets (RWA), crypto and consumers, and DeFi 2.0 (decentralised finance), the discussions here are set to shape the future landscape of digital finance and the digital economy.

One of the most exciting developments is, of course, the intersection of AI and blockchain, where "decentralised AI" can unlock many new applications and opportunities. For example, AI can assist blockchain platforms in performing more accurate credit assessments, improving smart contract audits, providing tailored investment advice, and more.

Globally, the application of Web3 in finance is gaining traction. Blockchain innovations not just reduce transaction costs but also enhance market transparency, and the efficiency and accessibility of financial services. Indeed, we are seeing more institutional adoption where traditional banks, asset managers and brokers increasingly integrate digital assets into their offerings. The benefits are clear. The World Economic Forum, for example, estimates that financial institutions could free up some US\$100 billion per year by leveraging distributed ledger technology for collateral management.

Hong Kong, with its advanced financial infrastructure and robust regulatory environment, is at the forefront of this transformation. Hong Kong has already made history by issuing the world's first tokenised government green bonds in 2023, followed by a groundbreaking multi-currency issuance in 2024.

Beyond finance, Web3 plus AI innovations are inspiring a host of applications in the real economy. From streamlining supply chain management to enhancing game players' experience; and from improving healthcare management to making agricultural and industrial production more intelligent, they are empowering and transforming business operations and public services.

Rapid tech innovation does not come without challenges. Often, the progress of innovation outpaces regulatory response, creating gaps that can lead to substantial risks. The fallout from several crypto exchanges' failures in recent years serves as vivid reminders that we must pay attention to market integrity, investor protection, money laundering and cybersecurity risks, as financial products and services continue to innovate and

digitalise.

On a positive note, the history of financial innovations shows that we learnt and adapted fast, and put in better guardrails and became more resilient. The key to success lies in maintaining an open, fair, balanced and forward-looking regulatory approach that is conducive to the sustainable and responsible development of financial innovation, including Web3.

### Hong Kong's unparalleled advantages

This is the path taken by Hong Kong. While some major jurisdictions have recently begun to embrace cryptocurrencies, which has undoubtedly fuelled a boom of the crypto market, Hong Kong stands out as a market with consistent, predictable, forward-looking policies, and a balanced regulatory framework. For innovators and companies committed to building the future of Web3, or financial institutions looking to bridge traditional and digital finance, Hong Kong is where you want to be.

Our regime is premised on the "same activity, same risk, same regulation" principle, which ensures a level playing field for all market participants. In this regard, Hong Kong has already put in place a licensing regime for digital asset trading platforms. Our Securities and Futures Commission has already issued nine such licences, with more in the pipeline. We are also advancing on the regulation of stable coins, and have introduced the relevant piece of legislation.

To facilitate further innovation, regulatory sandboxes have been set up by our regulators to allow innovators to test and refine their ideas, and to get early regulatory feedback. Besides, initiatives like the Hong Kong Monetary Authority's Project Ensemble are accelerating the development of tokenisation ecosystems, covering RWAs like fixed income, investment funds, green finance and trade finance.

Indeed, this pro-innovation and collaborative regulatory approach is a unique value proposition of Hong Kong to Web3 innovators and participants.

AI is constantly evolving and increasingly applied to finance. Its convergence with blockchain will create more use cases, with both new opportunities to be captured, and challenges to be addressed. Hong Kong has set out a clear policy stance on the use of AI in financial services. The Government and financial regulators are working closely with the industry to monitor technology and market development and establish a transparent supervisory framework.

Hong Kong's commitment to Web3 extends beyond regulation. We are investing heavily in the related infrastructure and talent development. Our Cyberport and Science Park have become vibrant hubs for Web3 innovation and fintech, while our universities and partnerships with the industry are nurturing generations of blockchain experts. Through talent admission schemes, we are also attracting top-notch professionals from around the world, ensuring that Hong Kong remains at the cutting edge of technological

advancement.

## Concluding remarks

Ladies and gentlemen, while the tides of change may ebb and flow, the quest for innovation has never stopped. The digital asset market today may somewhat resemble the early days of all great transformative paradigms: as new frontiers emerge, there will always be champions of progress and cautious observers. What remains true is that the market ultimately rewards those who dare to innovate, and adapt and persevere.

The tides of change are upon us, and Hong Kong is ready to ride the wave. As the Web3 ecosystem continues to evolve, Hong Kong will remain a stable, open and vibrant market for digital assets. I am confident that global companies and institutions will join force with us to lead its development.

Once again, my heartfelt thanks to CoinDesk for hosting this event in Hong Kong. I wish you all a productive and inspiring event over the next two days. And do remember to take some time to enjoy Hong Kong, Asia's world city. Thank you.

---

## LCQ14: Making good use of spaces released from toll collection facilities of road harbour crossings

Following is a question by the Hon Chan Chun-ying and a written reply by the Secretary for Transport and Logistics, Ms Mable Chan, in the Legislative Council today (February 19):

### Question:

In order to implement the HKeToll free-flow tolling service, the Highways Department is demolishing the toll booths, toll islands and toll plaza shelters of the three road harbour crossings (RHCs) and adjusting the traffic lane arrangements. On making good use of the spaces released from the toll collection facilities of RHCs, will the Government inform this Council:

(1) as it is learnt that the demolition works of the toll booths, toll islands and toll plaza shelters of the three RHCs have basically been completed, but many water-filled barriers and traffic cones used for the purposes of road works have not yet been removed from the road surfaces in the vicinity of the three RHCs, causing vehicles entering and exiting RHCs to reduce their speed, thus affecting the smooth flow of traffic, and that the

Government indicated in its reply to a question from a Member of this Council on November 13 last year that the demolition works involving the three RHCs were not expected to be completed until the second quarter of this year, of the complexities of the remaining works and whether the Government has explored early completion of such works; if so, of the details; if not, the reasons for that;

(2) given that in its reply to a question from a Member of this Council on October 18, 2023, the Government indicated that the demolition of all the manual toll booths could release land with an estimated total area of about 23 000 square metres at the three RHCs, whether, apart from using the land to provide more bus stops or improve the existing ones and increase the number of buffer zones, the Government has considered landscaping the RHC entrances to create three scenic cityscapes; if so, of the details; if not, the reasons for that; and

(3) as it is learnt that there are many advertising spaces at the three RHCs, whether the Government has studied taking this opportunity to revamp these advertising spaces to provide digital advertising screens, three-dimensional advertising screens and projection advertising screens, etc, thereby attracting more advertisers and increasing government revenue; if so, of the details; if not, the reasons for that?

Reply:

President,

The HKeToll, a free-flow tolling service, has been implemented in all government-tolled tunnel since end-2023 and will be implemented at the Tai Lam Tunnel after the Government takes over it in May this year. The HKeToll enables vehicles to pay tolls remotely without having to stop at the toll booths, thereby enhancing the efficiency of toll collection, and providing more effective traffic management as well as safer and smoother commuting for motorists; and the freed-up areas following the removal of manual toll booths will be utilised to improve the traffic at the tunnel entrances and exits.

Having consulted the Development Bureau and the Transport Department (TD), my reply to the various parts of the question raised by the Hon Chan Chun-ying is as follows:

(1) All HKeToll related works at the Cross-Harbour Tunnel (CHT) and Eastern Harbour Crossing (EHC) have been completed, including the removal of toll islands and toll plaza canopies, and adjustment of lane arrangements. The traffic cones currently placed on site mainly aim at guiding vehicles along the lanes and preventing them from entering the shadow area of the central dividers, so as to rationalise the traffic near the tunnel entrances and exits and maintain road safety.

As for the Western Harbour Crossing (WHC), we are currently carrying out road resurfacing and related works in the vicinity of the former toll plaza, which requires removal of the existing concrete pavement of the main traffic lanes at the former toll plaza for repaving the road base as well as the

bituminous pavement. As the works are close to existing traffic lanes, bus stops, branch road entrances and exits, etc, they need to be carried out in phases to ensure that the project will not cause significant impact on tunnel operations, traffic conditions and road safety. Upon the completion of the works at the main traffic lane, we will continue the remaining works at the freed-up areas and remove temporary traffic management measures such as water barriers after completion. The relevant departments will complete the works as soon as possible, and it is expected the works at WHC will be completed in the second quarter of this year.

(2) The freed-up areas following the removal of toll booths will be used for improving the traffic at the tunnel entrances and exits, including widening the existing space for loading/unloading of buses and access to bus stops, increasing the number of lane-side buffer zones to ensure the safe operation of the tunnels, as well as rationalising traffic lane arrangements, with consideration given to road safety and landscaping. In the long run, the TD will continue to review the future traffic condition of the road section and the spaces available, and proactively consider how to complement the development of the neighbouring areas and improve the traffic and cross-harbour bus service. Besides, taking the CHT as an example, at the Government's invitation, the MTR Corporation Limited (MTRCL) has conducted a study to re-plan the sites in the vicinity of the Hung Hom Station and the waterfront, including exploring ways to enhance the pedestrian connectivity between Hung Hom and Tsim Sha Tsui East, and improve the passenger bus waiting environment at the CHT. The Government is currently considering MTRCL's report, and expects stakeholder consultation on the land use proposals will take place by mid-2025.

(3) At present, there are a total of 95 advertising panels located at the tunnel entrances and exits, tunnel buildings (such as administration buildings and ventilation buildings) and bus stops of the three road harbour crossings. The tunnel operators under the TD appoint advertising agents through open tender to sell advertising spaces, and the relevant advertising revenue goes to the Government.

The TD has been closely monitoring the market demand for advertising display within the tunnel areas with a view to optimising the use of advertising spaces. The TD also reviews the number and types of advertising panels from time to time, taking into account factors such as cost-effectiveness, avoiding distraction to motorists, road safety and visual impact to nearby residents. To tie in with the market demand and changes to the toll plaza, the TD has commissioned a total of four new advertising panels from November 2024 to January 2025 at the EHC to increase advertising revenue.

The TD will continue to maintain close liaison with tunnel operators and advertising agents to keep in view the market demand for displaying advertisements within the tunnel area, and consider the feasibility of different options, including the proposal in the question, with a view to increasing advertising revenue.



---

## LCQ14: Making good use of spaces released from toll collection facilities of road harbour crossings

Following is a question by the Hon Chan Chun-ying and a written reply by the Secretary for Transport and Logistics, Ms Mable Chan, in the Legislative Council today (February 19):

Question:

In order to implement the HKeToll free-flow tolling service, the Highways Department is demolishing the toll booths, toll islands and toll plaza shelters of the three road harbour crossings (RHCs) and adjusting the traffic lane arrangements. On making good use of the spaces released from the toll collection facilities of RHCs, will the Government inform this Council:

(1) as it is learnt that the demolition works of the toll booths, toll islands and toll plaza shelters of the three RHCs have basically been completed, but many water-filled barriers and traffic cones used for the purposes of road works have not yet been removed from the road surfaces in the vicinity of the three RHCs, causing vehicles entering and exiting RHCs to reduce their speed, thus affecting the smooth flow of traffic, and that the Government indicated in its reply to a question from a Member of this Council on November 13 last year that the demolition works involving the three RHCs were not expected to be completed until the second quarter of this year, of the complexities of the remaining works and whether the Government has explored early completion of such works; if so, of the details; if not, the reasons for that;

(2) given that in its reply to a question from a Member of this Council on October 18, 2023, the Government indicated that the demolition of all the manual toll booths could release land with an estimated total area of about 23 000 square metres at the three RHCs, whether, apart from using the land to provide more bus stops or improve the existing ones and increase the number of buffer zones, the Government has considered landscaping the RHC entrances to create three scenic cityscapes; if so, of the details; if not, the reasons for that; and

(3) as it is learnt that there are many advertising spaces at the three RHCs, whether the Government has studied taking this opportunity to revamp these advertising spaces to provide digital advertising screens, three-dimensional advertising screens and projection advertising screens, etc, thereby attracting more advertisers and increasing government revenue; if so, of the details; if not, the reasons for that?

Reply:

President,

The HKeToll, a free-flow tolling service, has been implemented in all government-tolled tunnel since end-2023 and will be implemented at the Tai Lam Tunnel after the Government takes over it in May this year. The HKeToll enables vehicles to pay tolls remotely without having to stop at the toll booths, thereby enhancing the efficiency of toll collection, and providing more effective traffic management as well as safer and smoother commuting for motorists; and the freed-up areas following the removal of manual toll booths will be utilised to improve the traffic at the tunnel entrances and exits.

Having consulted the Development Bureau and the Transport Department (TD), my reply to the various parts of the question raised by the Hon Chan Chun-ying is as follows:

(1) All HKeToll related works at the Cross-Harbour Tunnel (CHT) and Eastern Harbour Crossing (EHC) have been completed, including the removal of toll islands and toll plaza canopies, and adjustment of lane arrangements. The traffic cones currently placed on site mainly aim at guiding vehicles along the lanes and preventing them from entering the shadow area of the central dividers, so as to rationalise the traffic near the tunnel entrances and exits and maintain road safety.

As for the Western Harbour Crossing (WHC), we are currently carrying out road resurfacing and related works in the vicinity of the former toll plaza, which requires removal of the existing concrete pavement of the main traffic lanes at the former toll plaza for repaving the road base as well as the bituminous pavement. As the works are close to existing traffic lanes, bus stops, branch road entrances and exits, etc, they need to be carried out in phases to ensure that the project will not cause significant impact on tunnel operations, traffic conditions and road safety. Upon the completion of the works at the main traffic lane, we will continue the remaining works at the freed-up areas and remove temporary traffic management measures such as water barriers after completion. The relevant departments will complete the works as soon as possible, and it is expected the works at WHC will be completed in the second quarter of this year.

(2) The freed-up areas following the removal of toll booths will be used for improving the traffic at the tunnel entrances and exits, including widening the existing space for loading/unloading of buses and access to bus stops, increasing the number of lane-side buffer zones to ensure the safe operation of the tunnels, as well as rationalising traffic lane arrangements, with consideration given to road safety and landscaping. In the long run, the TD will continue to review the future traffic condition of the road section and the spaces available, and proactively consider how to complement the development of the neighbouring areas and improve the traffic and cross-harbour bus service. Besides, taking the CHT as an example, at the Government's invitation, the MTR Corporation Limited (MTRCL) has conducted a study to re-plan the sites in the vicinity of the Hung Hom Station and the waterfront, including exploring ways to enhance the pedestrian connectivity between Hung Hom and Tsim Sha Tsui East, and improve the passenger bus waiting environment at the CHT. The Government is currently considering

MTRCL's report, and expects stakeholder consultation on the land use proposals will take place by mid-2025.

(3) At present, there are a total of 95 advertising panels located at the tunnel entrances and exits, tunnel buildings (such as administration buildings and ventilation buildings) and bus stops of the three road harbour crossings. The tunnel operators under the TD appoint advertising agents through open tender to sell advertising spaces, and the relevant advertising revenue goes to the Government.

The TD has been closely monitoring the market demand for advertising display within the tunnel areas with a view to optimising the use of advertising spaces. The TD also reviews the number and types of advertising panels from time to time, taking into account factors such as cost-effectiveness, avoiding distraction to motorists, road safety and visual impact to nearby residents. To tie in with the market demand and changes to the toll plaza, the TD has commissioned a total of four new advertising panels from November 2024 to January 2025 at the EHC to increase advertising revenue.

The TD will continue to maintain close liaison with tunnel operators and advertising agents to keep in view the market demand for displaying advertisements within the tunnel area, and consider the feasibility of different options, including the proposal in the question, with a view to increasing advertising revenue.

---

## **LCQ1: Protecting rights and interests of spouses after marital breakdown**

Following is a question by the Hon Nixie Lam and a reply by the Secretary for Home and Youth Affairs, Miss Alice Mak, in the Legislative Council today (February 19):

Question:

It has been reported that while quite a number of prospective couples have drawn up prenuptial agreements through lawyers to make advance arrangements for the distribution of property and protection of their rights and interests in the event of divorce, prenuptial agreements are not legally binding under the existing legislation. In this connection, will the Government inform this Council:

(1) whether it will consider enacting legislation to ascertain the legal effect of prenuptial agreements; if so, of the details; if not, the relevant legal considerations;

(2) whether it will, by drawing reference from the Civil Code of the People's Republic of China, categorise a person's property into prenuptial and postnuptial property, without converting prenuptial property into joint property between spouses as a result of marriage; if so, of the details; if not, the reasons for that; and

(3) as it is learnt that while quite a number of members of the public protect their interests in property in matrimonial causes through the trust services provided by banks and trust companies, some banks require their clients to have a minimum of US\$1 million in liquid assets or US\$3 million in non-liquid assets, and some trust companies' minimum asset requirements for their clients are also very high, whether the Government will consider taking measures to provide members of the public whose assets have not met the relevant thresholds with a similar asset protection mechanism, so as to further enhance Hong Kong's status as an international asset management centre?

Reply:

President,

When applying for a divorce, both parties to the marriage would normally apply to the court for the settlement of financial matters, such as the division of property and application for maintenance. According to existing legislation, the Matrimonial Proceedings and Property Ordinance (Cap 192) (the Ordinance) empowers the court to order either party to the marriage to make to the other financial provision, or to make order for transfer of property, etc., when granting decree of divorce, decree of nullity of marriage or decree of judicial separation, or at any time thereafter.

In consultation with the Financial Services and Treasury Bureau and the Department of Justice, my reply, on behalf of the Government, to the question raised by the Hon Nixie Lam is as follows:

(1) According to section 7(1) of the Ordinance, the court shall have regard to the conduct of the parties to the marriage and all the circumstances of the case when dealing with matters in relation to financial provisions, transfer and sale of property, etc. The circumstances of the case include the income, earning capacity, property and other financial resources which each of the parties to the marriage has or is likely to have in the foreseeable future; the age of each party to the marriage and the duration of the marriage; as well as the contributions made by each of the parties to the welfare of the family. As the circumstances of the parties to the marriage and family in each case vary, each application shall be handled according to the actual situation. Under the current law, the court has broad discretionary powers to enable it to properly deal with different situations and make fair arrangements for the division of property.

Although Hong Kong currently does not have relevant legal provisions made for prenuptial agreements, the court will, based on the circumstances of the case and the conduct of both parties, consider adopting some or all of

the contents of the prenuptial agreement. With reference to local cases, the Court of Final Appeal also pointed out in its judgment that although a prenuptial agreement could not override the powers of the court to grant ancillary relief, it carries considerable weight in relation to the exercise of the court's discretion when granting such relief. If prenuptial agreement is made between a couple prior to their marriage as to the manner in which their financial affairs should be settled upon divorce, the court should give weight to such agreement where it was fair to do so. Conversely, mandatory enforcement of a prenuptial agreement may, due to the unique circumstances of individual cases, such as something unforeseen at the time of the agreement occurred after the marriage, result in an unfair division of property and harm the interests of one party. It can thus be seen that the current regime effectively ensures that the court can, after fully considering the contents of the prenuptial agreement and all other factors related to the division of property, make an arrangement for division of property which is the fairest for both parties to the marriage to safeguard their interests.

(2) For the second part of the question, the division and definition of matrimonial property and non-matrimonial property depend on the specific circumstances of each case. As I have just mentioned, the court will consider a basket of factors in determining the division of property when the parties to the marriage divorce. According to Section 7(1)(f) of the Ordinance and with reference to local cases, the contributions made by each party to the welfare of the family and the source of the assets are factors that the court would take into account when dealing with the division of property. In fact, in accordance with the principle of fairness, the court must also take into account the financial needs of both parties and/or their children, as well as the standard of living they enjoyed before the divorce. Therefore, due to the uniqueness of each case, the court may not be able to deal with pre-marital property in a uniform approach. The division of property upon divorce involves various complex legal principles and issues, which must be considered comprehensively and carefully. We believe that the current arrangement is effective and will keep in view the relevant situation.

(3) Regarding trust companies, the Government is committed to promoting the industry to offer diversified products, with a view to better satisfying the market needs and facilitating the long-term healthy development of the sector. There is no uniform standard on the asset threshold for setting up a trust. Trust companies in the market formulate different asset thresholds based on their business models, types of trust solution, clients' need and their levels of risk exposure. Trust companies offer diversified products and professional services to clients with different asset scales, providing them with greater flexibility and more choices when conducting asset allocation.

The Hong Kong Monetary Authority (HKMA) regulates the trust business of banks, so as to enhance clients' confidence in entrusting assets to banks in Hong Kong. At present, the HKMA does not impose any regulatory requirements on the minimum asset thresholds for the provision of trust services to clients. Banks may decide the conditions applicable to the provision of trust services to their clients, taking into account their own specific circumstances, such as target clientele, operational costs, resource

allocation and market demand, among other factors. Banks will review and adjust their trust business, with reference to market developments and their own business considerations. The HKMA will continue to keep in view market developments, and enhance the regulations on the trust business of banks as appropriate.