

# CDI-CDEG linkage to promote development of Hong Kong's digital economy

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

The Hong Kong Monetary Authority (HKMA) and the Digital Policy Office (DPO) today (August 26) jointly announced that the connection arrangement between the HKMA's Commercial Data Interchange (CDI)(Note 1) and the Government's Consented Data Exchange Gateway (CDEG)(Note2) is now in full operation, with a promising growth in the utilisation rate by the pilot banks conducting trial transactions via the CDI-CDEG linkage established in late December 2023. With the successful completion of the trial run, the connection is now open to all CDI participating banks.

As the first government data source of CDI, the Companies Registry (CR) has connected to CDI through CDEG. By connecting to the CR via the CDI-CDEG linkage (also known as "CR@CDI"), banks can directly obtain company particulars such as company names, registered office addresses and share capital structure, which helps streamline various banking processes including account opening, fraud detection and Know Your Customer. The connection arrangement facilitates financial institutions, upon authorisation, to access government data related to corporate and business operations, thereby supporting the digitalisation of the financial services industry, promoting the overall development of Hong Kong's digital economy, as well as facilitating the full exploitation of the potential of data.

With banks conducting pilot trials in phases, the HKMA and the DPO will continue to explore the possibility of including additional business operation data in the future to assist banks in obtaining more comprehensive company search records.

Since its official launch, CDI has successfully enhanced the small and medium-sized enterprise (SME) loan approval processes, facilitating more than 27,000 loan applications and reviews, with an estimated credit approval amount exceeding HK\$23.8 billion as of end-June 2024. To unleash the potential of CDI beyond corporate level and to bolster the Government's digitalisation initiatives that enhance public convenience, the HKMA will explore the feasibility of extending the use of CDI to personal level leveraging the CDI-CDEG linkage.

Deputy Chief Executive of the HKMA, Mr Howard Lee, said, "Thanks to the support of the DPO, the CDI-CDEG connection has been working well, which is a testament to the HKMA's efforts in addressing the industry's demand for government data in its digitalisation journey. Leveraging the established connection between the two platforms, the HKMA will invite more government bureaux and departments to share consented data with banks. These concerted

efforts will greatly benefit SMEs across various sectors and contribute to the advancement of Hong Kong's digital economy."

The Commissioner for Digital Policy, Mr Tony Wong, said, "Data is the key element in promoting the development of smart city, and innovation and technology. We have been implementing different measures to promote the opening up and sharing of government data. The connection of the two data sharing platforms is an important milestone on government data sharing. With the banking sector making good use of the new measure, it will enable customers to enjoy more convenient services and facilitate the banking industry to explore more business opportunities, thereby contributing to the development of digital economy of Hong Kong. With a view to promoting data-driven, people-centric and outcome-based digital policies within the Government and across sectors, the DPO will facilitate more opening up and sharing of data, and innovate government services with the aid of digital technologies and data. The DPO and the HKMA will continue to actively liaise with government bureaux and departments to prepare for more related data sharing with the industry, supporting the development of more convenient government services for bringing benefits to citizens and businesses."

Note 1: Launched by the HKMA, CDI is a consent-based financial data infrastructure that aims to enhance data sharing by facilitating financial institutions' retrieval of enterprises' commercial data, in particular the data of SMEs, from both public and private data providers.

Note 2: Developed by the Government, CDEG serves to facilitate the interflow of data within the Government.