

HKMA and CBUAE deepen financial market co-operation between Hong Kong and UAE (with photos)

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

The Hong Kong Monetary Authority (HKMA) and the Central Bank of the United Arab Emirates (CBUAE) held the second bilateral meeting in Hong Kong today (December 20), further solidifying co-operation and connectivity between the financial services sectors of the two jurisdictions.

Following the first bilateral meeting in Abu Dhabi in May 2023, the HKMA and the CBUAE have continued engaging in in-depth discussions covering several major areas, including cross-border debt capital market connectivity, financial infrastructure development, and investment outlook and opportunities in both the Middle East and North Africa (MENA) region and Mainland China.

In this connection, a Memorandum of Understanding (MOU) was signed today by the Chief Executive of the HKMA, Mr Eddie Yue, and the Governor of the CBUAE, H.E. Khaled Mohamed Balama, to strengthen and formalise the co-operation arrangements. Under the MOU, the two authorities have agreed to establish connectivity of the debt capital markets and the related financial market infrastructures between Hong Kong and the UAE with a view to facilitating cross-border debt securities issuance and investment activities.

Mr Yue said, "We are delighted to welcome the CBUAE delegation to Hong Kong. Today's discussions strengthened the financial collaboration between the two central banks in several important areas. The MOU, in particular, will further enhance mutual co-operation and the exchange of expertise between the HKMA and the CBUAE in debt capital markets, and reinforce Hong Kong's strategic role as a gateway to both the Renminbi and international debt markets. There is significant potential for the financial sectors of both sides to explore new business opportunities. We look forward to our continued collaboration with the CBUAE to strengthen investment and financial market connectivity between the Middle East and Asia."

H.E. Khaled Mohamed Balama said, "I am glad to see encouraging progress made today between the two central banks in agreeing on the way forward on debt capital market development and collaboration. We aim at unlocking the potential of the two debt capital markets to allow seamless and cost-effective cross-border debt securities issuance, trading, investment, settlement as well as collateral management. This initiative will help the UAE become the gateway for issuers and investors in the MENA region to have efficient access to the China and Asian debt markets, whilst also, allowing Chinese and Asian issuers and investors to gain direct access to the MENA debt market through the UAE."

