

HKMA collaborates on consultation to explore opportunities of Global Financial Innovation Network

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

The Hong Kong Monetary Authority (HKMA), in collaboration with 11 financial regulators and related organisations (note), announced today (August 7) the initiative of the Global Financial Innovation Network (GFIN).

Building on the UK Financial Conduct Authority's proposal earlier this year, GFIN seeks to provide a more efficient way for innovative firms to interact with regulators, helping them navigate between jurisdictions as they look to scale new ideas. It will also create a framework for co-operation between financial services regulators on innovation related topics, sharing different experiences and approaches.

GFIN today issued a consultation (see Annex) on the role it should play in delivering its objectives including the tools it will use. The consultation sets out three main functions of the GFIN:

- Acting as a network of regulators to collaborate and share experience of innovation in respective markets, including emerging technologies and business models;
- Providing a forum for joint policy work and discussions; and
- Providing firms with an environment in which to trial cross-border solutions.

The Deputy Chief Executive of the HKMA, Mr Howard Lee, said, "The opportunities and challenges created by fintech are not bound by jurisdictional borders. The GFIN initiative will enable regulators across the globe to share experience and knowledge in realising the benefits while managing the risks. The HKMA is delighted to be a founding contributor of the initiative and looks forward to facilitating the creation of a healthy fintech ecosystem."

The working group is asking for feedback on the consultation questions by October 14. Over the course of the next two months, the working group will engage with interested parties across different jurisdictions involved in the project. The working group will then assess feedback and agree on next steps.

Note: The organisations involved in the GFIN working group at present are: Abu Dhabi Global Market; Autorité des marchés financiers (Québec, Canada); Australian Securities and Investments Commission; Central Bank of Bahrain; United States Consumer Financial Protection Bureau; Dubai Financial Services Authority; Financial Conduct Authority (United Kingdom); Guernsey Financial Services Commission; Hong Kong Monetary Authority; Monetary Authority of

Singapore; Ontario Securities Commission (Canada); and Consultative Group to Assist the Poor.