

HKMA launches stablecoin issuer sandbox arrangement

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

The Hong Kong Monetary Authority (HKMA) announced today (March 12) the launch of the stablecoin issuer sandbox arrangement.

Tying in with the [consultation](#) on the legislative proposal for implementing the regulatory regime for stablecoin issuers, the HKMA wishes to leverage the sandbox arrangement to communicate supervisory expectations to parties interested in issuing fiat-referenced stablecoins in Hong Kong, as well as to obtain feedback from participants on the proposed regulatory requirements.

Applicants should have genuine interest in developing a stablecoin issuance business in Hong Kong with a reasonable business plan, and their proposed operations under the sandbox arrangement will be conducted within a limited scope and in a risk-controllable manner. Interested parties should refer to the details of the sandbox arrangement in [Annex](#).

The list of the participants of the sandbox arrangement will be available on the [HKMA website](#) and updated in a timely manner.

The Chief Executive of the HKMA, Mr Eddie Yue, said, "The sandbox arrangement serves as an effective channel for the HKMA and the industry to exchange views on the proposed regulatory regime, and will facilitate the formulation of fit-for-purpose and risk-based regulatory requirements, which is key to promoting the sustainable and responsible development of the stablecoin issuance business."