

[HKSAR Government welcomes formal Launch of Cross-boundary Wealth Management Connect \(with photos\)](#)

The online ceremony of Cross-boundary Wealth Management Connect (Wealth Management Connect) in the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) was held today (September 10), marking the official launch of the scheme which enables residents in Hong Kong, Macao and nine cities in Guangdong Province to carry out cross-boundary investment in wealth management products distributed by banks in the area. Officiating guests of the ceremony were the Chief Executive, Mrs Carrie Lam; the Chief Executive of the Macao Special Administrative Region, Mr Ho Iat-seng; the Governor of Guangdong Province, Mr Ma Xingrui; the Deputy Governor of the People's Bank of China, Mr Pan Gongsheng; and the Deputy Director of the Hong Kong and Macao Affairs Office of the State Council, Mr Huang Liuquan.

The Chief Executive, Mrs Carrie Lam, said, "Wealth Management Connect is a milestone in the financial development of the Greater Bay Area and an important measure that deepens and widens mutual access between the financial markets of the Mainland and Hong Kong. It underlines the unique advantages of Hong Kong's financial system under the 'One Country, Two Systems' principle, contributes to the high-quality development of the Greater Bay Area and facilitates the financial development and further opening-up of our country. We are very grateful for the support of the Central Government and the preparation work by the relevant regulatory authorities for launching this scheme long-awaited by the industry, which will further consolidate Hong Kong's role as the international financial centre of our country.

"Wealth Management Connect is the first mutual market access mechanism for individual investors. It is conducive to the facilitation of cross-boundary investment by individual residents of the Greater Bay Area, and is therefore also a crucial livelihood-related project."

The Financial Secretary, Mr Paul Chan, said, "Wealth Management Connect will expand the cross-boundary investment channel and asset allocation choices for residents in the area and opens up a broader market for the financial and relevant professional sectors, bringing enormous business opportunities. It will also attract more international financial institutions to have a foothold in Hong Kong to expand their Mainland businesses, reinforcing further Hong Kong's role as an important gateway for capital flowing into and out of the Mainland, as well as its position as the global offshore Renminbi business hub and an international asset management centre."

According to the implementation details of Wealth Management Connect, institutions with retail banking or private banking business and registered under the Securities and Futures Ordinance for carrying out Type 1 (Dealing

in securities) regulated activity can carry out Wealth Management Connect business in Hong Kong. For the Southbound (Note 1) Scheme and Northbound (Note 2) Scheme, there will be an aggregate quota of RMB 150 billion in each direction and an individual investor quota of RMB 1 million. Under the Northbound Scheme, Hong Kong investors have to open a designated remittance account at an eligible bank of their own choice in Hong Kong and a designated investment account with its Mainland partner bank. The scheme will cover relatively simple investment products with low to medium risk and will primarily adopt an "execution only" model on sales and marketing arrangement, i.e. clients will initiate transaction instructions while banks will execute such instructions and respond to clients' enquiries.

Following its third plenary meeting held on November 6, 2019, the Leading Group for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area announced its support for the exploration of the establishment of a cross-boundary wealth management connect mechanism. The Mainland financial regulators promulgated the "Opinion on Providing Financial Support for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area" on May 14, 2020, introducing various concrete measures, including Wealth Management Connect, in relation to the development of Greater Bay Area finance. In February this year, the regulators of the three places announced that they have signed a Memorandum of Understanding on the principles of supervisory cooperation under Wealth Management Connect.

Note:

1: Under Southbound Wealth Management Connect, residents of the Mainland cities in the Greater Bay Area can invest in eligible investment products distributed by banks in Hong Kong and Macao by opening designated investment accounts with these banks.

2: Under Northbound Wealth Management Connect, residents of Hong Kong and Macao can invest in eligible wealth management products distributed by Mainland banks in the Greater Bay Area by opening designated investment accounts with these banks.

