

## Hong Kong and Shanghai hold meeting to enhance financial co-operation (with photos)

Representatives of the governments, financial regulators and exchanges of Hong Kong and Shanghai held the ninth Working Meeting of Hong Kong-Shanghai Financial Co-operation in Hong Kong today (April 25) to discuss how to further enhance financial co-operation between the two places.

The Secretary for Financial Services and the Treasury of the Hong Kong Special Administrative Region Government, Mr Christopher Hui, and the Director-General of the Shanghai Office for Advancing International Financial Center Development, Mr Zhou Xiaoquan, provided an update of the latest market situation and developments of the financial services sectors in Hong Kong and Shanghai respectively. Representatives of the two places discussed issues of mutual concern, including the latest developments of financial services in the Mainland (Shanghai) Pilot Free Trade Zone (FTZ); co-operation in respect of cross-boundary Renminbi (RMB) business, securities, futures, insurance, financial technology (fintech) and green finance; and enhancing talent exchange.

Addressing the meeting, Mr Hui said that the Central Financial Work Conference highlighted strengthening Shanghai's competitiveness and influence as an international financial centre, as well as consolidating and enhancing Hong Kong's position as an international financial centre, fully underscoring the important and unique status of Hong Kong and Shanghai in building the strength in finance of the country. He said he looks forward to closer financial co-operation between Hong Kong and Shanghai on various fronts, and joint implementation of the series of measures for further expanding the mutual access between the capital markets of the Mainland and Hong Kong announced by the China Securities Regulatory Commission on April 19, which cover expanding the eligible product scope of equity exchange-traded funds (ETFs) under Stock Connect, including real estate investment trusts (REITs) under Stock Connect, supporting the inclusion of RMB stock trading counter under Southbound trading of Stock Connect, enhancing the arrangements for mutual recognition of funds, and encouraging leading enterprises of industries on the Mainland to list in Hong Kong, thereby jointly contributing to the high-quality financial development of the country.

The Shanghai side introduced the updated progress of promoting Shanghai as an international financial centre as well as the implementation of various financial initiatives. Mr Zhou said that under the new circumstances, Shanghai and Hong Kong must co-ordinate developments, with division of work as well as synergy and co-operation, and make concerted effort to build the financial core competitiveness of the country and to contribute to its development as a financial powerhouse and the national rejuvenation. As the country's two locomotives in the areas of finance, both sides should

strengthen co-operation, and realise capital and resource connection to create joint forces in serving national strategies.

At the meeting, both sides agreed to work on the continuous enhancement of the mutual market access programmes, such as Shanghai-Hong Kong Stock Connect, Bond Connect and Swap Connect, collaborate closely to implement the newly announced measures and explore further deepening of co-operation between the securities markets of the two places. On insurance, both sides will facilitate exchange and co-operation in the industry on such development issues as risk management of Belt and Road projects, captive insurance and insurance-linked securities.

Both sides supported the strengthening of co-operation on product development, services and innovation relating to green finance; encouraging enterprises of the two places to conduct green and sustainable financing, investment and certification, and develop diversified financial products; and enhancing exchange on carbon trading, carbon finance product research, development and supervision. Both sides also agreed to enhance exchange and co-operation among fintech enterprises of the two places.

The Financial Services and the Treasury Bureau of the Hong Kong Special Administrative Region Government and the Shanghai Office for Advancing International Financial Center Development agreed to take the lead in holding regular meetings to enhance exchanges and financial co-operation between the two places.

