

SFST visits Hong Kong Applied Science and Technology Research Institute for knowledge exchange on fintech development

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, today (December 29) visited the Hong Kong Applied Science and Technology Research Institute (ASTRI) for exchanging views on how financial technology (fintech) can drive the growth of financial services, following his chairmanship of the first meeting of the Coordination Group on Implementation of Fintech Initiatives (CGFin) yesterday (December 28).

The Permanent Secretary for Financial Services and the Treasury (Financial Services), Ms Salina Yan; the Under Secretary for Financial Services and the Treasury, Mr Joseph Chan; the Principal Assistant Secretary for Financial Services and the Treasury (Financial Services), Mr Desmond Wu; and the Political Assistant to the Secretary for Financial Services and the Treasury, Mr Julian Ip, also joined the visit, during which they were briefed by the Chairman of ASTRI, Mr Sunny Lee; the Chief Executive Officer of ASTRI, Dr Denis Yip; and the Senior Director, Cybersecurity, Cryptography and Trusted Technologies of ASTRI, Mr Alan Cheung, on the institute's strategic initiatives promoting fintech innovations.

Mr Hui noted that ASTRI's strategic initiatives include university collaboration, partnerships with top local universities to harness knowledge and nurture talent; fintech talent nurturing through organising the internship programme, namely the FinTech Future Leader Academy that allows students to understand fintech business through hands-on experience; and FinTech Ecosystem Alliance, a new initiative that aims at strengthening a fintech ecosystem in Hong Kong through an alliance with various stakeholders for collaborations.

The two parties also discussed how Hong Kong can make the best use of fintech to enhance its status as an international financial centre, and how to drive the digital economy of the future through fintech innovations.

Mr Hui shared with ASTRI the three key areas of the Financial Services and the Treasury Bureau (FSTB) to foster the development of fintech in Hong Kong.

"The first key area is opening up government data. The Hong Kong Monetary Authority would develop the Commercial Data Interchange (CDI), through which enterprises could authorise service providers such as payment systems, public bodies or utility companies to furnish banks with data. The CDI could effectively facilitate loan financing for enterprises as banks can make more accurate predictions about the sales and operation of enterprises, thereby reducing the need for the latter to provide collateral. We are now

considering the sharing of data in the Companies Register, a vast and frequently used database, to the CDI.

"The second one is the establishment of the CGFin to holistically review and supervise fintech development in Hong Kong, covering the areas of Mainland and overseas co-operation, financial infrastructures, regulatory regimes, cybersecurity, promotion, talent development and other cross-sectoral fintech co-ordination," Mr Hui noted.

Having held its first meeting yesterday, the CGFin is a platform for the Government and the financial regulators to strike a balance between market development and regulation by exchanging views on the latest development of fintech with representatives from the financial services sector, academia and research institutions.

Mr Hui said that the last key area is skill enhancement. The FSTB will once again commission Cyberport to launch a new round of Financial Practitioners FinTech Training Programme. Besides nominated staff from financial institutions regulated by the Hong Kong Monetary Authority, the Securities and Futures Commission, the Insurance Authority and the Mandatory Provident Fund Schemes Authority, eligible participants will be expanded to cover other relevant organisations, such that more participants can learn from the sharing of guest speakers having practical experiences and knowledge in the latest development of regtech, blockchain and cybersecurity etc. Up to 1,500 practitioners are expected to benefit from the programme.

"We are confident that the aforesaid three-pronged strategy could fully tap the opportunities offered by fintech and help Hong Kong develop into an international fintech hub," Mr Hui added.