

SFST's opening remarks at Accenture FinTech's Finest Forum 2023 (English only)

Following are the opening remarks by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, at Accenture FinTech's Finest Forum 2023 today (October 26):

Samantha (Senior Managing Director and Chairperson of Accenture Greater China, Ms Samantha Zhu), Peter (Chief Executive Officer of Cyberport, Mr Peter Yan), Howard (Deputy Chief Executive of the Hong Kong Monetary Authority (HKMA) Mr Howard Lee), Duncan (Legislative Council Member, Technology and Innovation, Mr Duncan Chiu), King (Head of Financial Services and Fintech, Invest Hong Kong, Mr King Leung), distinguished guests, ladies and gentlemen,

Good afternoon. I'm pleased to join you at the FinTech's Finest Forum 2023, jointly organised by Accenture and Cyberport to celebrate the FinTech Innovation Lab Asia-Pacific 2023.

Now in its 10th year, this programme has functioned as an incubator for fintech start-ups, fostering mentorship, networking and collaboration. Today, we see the fruits of these efforts in the impressive work of our fintech finalists.

These 10 fintech finalists have been working hard to tackle the industry's most pressing issues, from Generative AI (artificial intelligence) to compliance and ESG (environmental, social and governance). I'm excited to see where they go next. Their hard work not only benefits their own businesses, but also contributes significantly to the growth of our fintech ecosystem.

Zooming out to the larger landscape, Hong Kong stands as an international financial centre with a highly digitised economy. Our world-class fintech infrastructure, robust regulatory environment, abundant business opportunities, along with funding support, position us at the forefront of the burgeoning fintech sector.

We proudly host over 800 fintech companies and start-ups, including virtual banks, virtual insurers and virtual asset trading platforms. With their diverse range of innovative services, they further enrich our vibrant fintech landscape. Also, a recent study by a local university reveals that in Hong Kong, fintech has a high adoption rate across virtual banks, payments, stock brokerage, insurance and virtual assets. Over 70 per cent of respondents said they adopt two or more types of fintech services from these categories.

To support this vibrant community, a united front has been created by

the Government, financial regulators and industry players. We have embarked on a multipronged approach to enhance fintech infrastructure, build an active fintech ecosystem, nurture talent, and strengthen connections with the Mainland and overseas markets.

Integral to our strategy is the development of robust digital infrastructure. Since introducing the Faster Payment System (FPS) in 2018, we have been relentless in expanding its capabilities. Today, the FPS facilitates instant and convenient electronic payments across a diverse array of scenarios. In line with our commitment to innovation, the HKMA is collaborating with the Bank of Thailand. By year end, they aim to launch a new service that synergistically combines Hong Kong's FPS and Thailand's PromptPay. This service is designed to facilitate local payment for visitors, offering another safe, fast and effective payment option.

We have also made strides in enhancing financial inclusion through the Commercial Data Interchange (CDI), a platform that allows enterprises, in particular small and medium ones, to obtain trade finances from banks more easily by sharing their business data. From the launch of the CDI in October 2022 to end-June this year, over 4 900 loan applications were concluded, amounting to about HK\$4.4 billion. The CDI will also be linked to the government-developed Consented Data Exchange Gateway at the end of this year, thus allowing financial institutions to obtain relevant data after receipt of their clients' authorisation, and further amplifying the efficiency of financial service provision.

Simultaneously, we are focusing on nurturing the fintech ecosystem, having launched two rounds of the Fintech Proof-of-Concept Subsidy Scheme. Our goal is to bring more proven solutions to the market, thereby accelerating digital transformation of our financial services. Drawing on the successful experience with this scheme, as announced in the Policy Address yesterday (October 25), we will launch a dedicated proof-of-concept subsidy scheme for green fintech in the first half of 2024. The new scheme will promote the development of technological solutions and provide early-stage funding support for pre-commercialised green fintech, conducive to expanding the green fintech ecosystem and developing Hong Kong into a green fintech hub.

The success of digital transformation hinges on the availability of tech-savvy talent. Apart from introducing training schemes to help practitioners keep up with the latest development in fintech, we are also developing professional fintech qualifications for the securities and insurance sectors. We will soon announce details of the GBA Fintech Two-way Internship Scheme for Post-secondary Students, which will offer more than 150 internship positions across various fintech sectors in Hong Kong and the Mainland cities of the GBA (Greater Bay Area).

Looking ahead, the Hong Kong FinTech Week 2023 is around the corner. This global event will be held next week, with the main conference to be held on November 2 and 3. Themed "FinTech Redefined.", the eighth edition of the event will attract attendees from all over the world, including renowned speakers across different sectors. I eagerly anticipate engaging with you at

this annual gathering next week.

Ladies and gentlemen, I would like to express my gratitude to Accenture and Cyberport for organising the Forum today, and, of course, for the participation of the fintech companies and our financial institutions. I wish all of you a fruitful event and look forward to the exciting innovations on the horizon for our fintech industry. Thank you.