

# Speech by CE at Future Investment Initiative PRIORITY Summit (English only) (with photos)

Following is the speech by the Chief Executive, Mr John Lee, at the Future Investment Initiative (FII) PRIORITY Summit today (December 7):

Your Excellency Chairman Yasir Al-Rumayyan (Chairman of FII Institute), Your Excellency Minister Khalid Al-Falih (Minister of Investment of the Kingdom of Saudi Arabia), Your Royal Highness Prince Faisal bin Bandar bin Sultan (Chairman, Saudi Esports Federation), Mr Richard Attias (CEO of FII Institute), Mrs Laura Cha (Chairman of the Hong Kong Exchanges and Clearing Limited), distinguished guests, ladies and gentlemen,

Good morning. It gives me great pleasure to be here with you today for the inaugural FII PRIORITY Hong Kong Summit. For our guests from the Middle East and around the world, welcome to Hong Kong!

I am very delighted that the Future Investment Initiative Institute has chosen Hong Kong to host its first-ever PRIORITY Summit in Asia. The Public Investment Fund and the Ministry of Investment, of the Kingdom of Saudi Arabia, are the Summit's founding and vision partners. The Institute's influence has long transcended the realms of the Middle East, and it has become one of the most important forces globally in driving a brighter future for humanity.

In partnership with the Hong Kong SAR Government and the HKEX (Hong Kong Exchanges and Clearing Limited), this two-day global gathering is yet another significant step forward, in the deepening ties between Hong Kong and the Middle East, particularly the Kingdom of Saudi Arabia.

The Belt and Road Initiative proposed by President Xi Jinping celebrates its 10th anniversary this year. The Initiative has become a key pillar in building a global community of shared future.

This February, I led a high-profile Hong Kong business delegation to the Kingdom of Saudi Arabia and the United Arab Emirates, both of which are key nodes on the Belt and Road.

That visit yielded a series of business and institutional agreements, and Hong Kong and Saudi Arabia are now formally negotiating on an Investment Promotion and Protection Agreement.

Just last week, we celebrated the opening of Asia's first Saudi Arabian exchange-traded fund (ETF). The ETF, I'm pleased to say, was launched right here in Hong Kong, on our Stock Exchange.

And today, we proudly welcome to Hong Kong the FII PRIORITY Summit. Over these next two days, some 1,000 of you, from all over the world, will hear

from 100 prominent speakers.

"Megatrends Shaping Humanity" is the theme of this Summit. From technology and climate change, to financial equity and quality of life, these far-reaching trends are driving transformation across communities and economies.

That includes Hong Kong. In international trade, finance and more, we have long played a role much larger than our geographical size would suggest.

We are one of the world's most competitive and freest economies. Our free flow of capital and information, buttressed by a robust common law system and a multi-talented, multilingual workforce, contributes to our longstanding status as a major international financial centre.

Hong Kong is the world's pre-eminent gateway, and a "super value-adder" for economies, cultures and peoples, East and West.

Of course, all this is made possible by the unique "one country, two systems" principle. It affords us unparalleled access to the Mainland of China and the rest of the world. And we will continue to play an engaging role in defining and shaping the megatrends of this 21st century.

Allow me now, for the next few minutes, to speak about how Hong Kong addresses today's megatrends in three areas: finance, innovation, and sustainability.

Today, about 1,000 fintech companies operate in Hong Kong. That's up 25 per cent over just a year ago.

These start-ups are inspiring groundbreaking solutions in such areas as digital payment technology, decentralised finance and digital identity.

Hong Kong's Faster Payment System heralds tomorrow's cross-border payment. The real-time online transfer and payment service, since a few days ago, has extended its coverage to ASEAN (Association of Southeast Asian Nations) economies, linking up with Thailand's PromptPay system.

Visitors from Thailand can now scan and pay conveniently in Hong Kong – and vice versa. More than benefiting travellers, it means merchants receive funds immediately.

Then there's the mBridge development. The multi-central bank digital currency project, or CBDC, is a collaboration with the central banks of Mainland China, Thailand, the UAE (United Arab Emirates) and the Bank for International Settlements Innovation Hub Hong Kong Centre.

It speeds up cross-border payments at reduced cost – and with enhanced transparency. We strive to realise the gradual commercialisation of mBridge. The goal is within our grasp: making cross-border payments immediate and inexpensive, universally accessible, and realised within a secure and stable environment.

Our ambitions extend well beyond finance. Hong Kong is also determined to help drive the future of innovation and technology (I&T).

Hong Kong is the only city in the world with five top 100 universities. Hong Kong is home to numerous award-winning scholars, and blessed with world-class research capabilities. In recent years, we have invested over 25 billion US Dollars in I&T.

And, thanks to Hong Kong's prowess as an international financial centre, tech companies can tap into our capital market and continue to grow.

Collins Dictionary has named "AI" (artificial intelligence) this year's "word of the year". Interestingly, Merriam-Webster's word of the year is "authentic". Make of that what you will. But know that Hong Kong believes in AI, authentically, sincerely.

Next year, we will establish an AI supercomputing centre. It will support the huge demand for computing power from our R&D (research and development) and other sectors.

Our InnoHK research clusters take AI and robotics, as well as healthcare, as our primary areas of focus. We are establishing a third cluster on advanced manufacturing, and, very importantly, energy and sustainable development. Yes, Hong Kong is committed to the global green revolution.

Hong Kong's Climate Action Plan 2050 sets out two clear targets: achieving carbon neutrality before 2050 and cutting carbon emissions by half before 2035. We are devoting some 30 billion US Dollars to achieve these goals.

We will also come up with a development strategy for hydrogen. We aspire to make good, and safe, use of this important form of energy for a sustainable future.

We are committed to mobilising sustainable finance at scale. Last year, the total amount of green and sustainable debt arranged or issued in Hong Kong exceeded 80 billion US Dollars. And our green bond issuance accounted for about one-third of Asia's market share.

As the FII Institute has underlined, "a collaborative framework is more essential than ever, requiring co-operation between governments, businesses and international organisations".

Hong Kong believes in collaboration. Hong Kong's "one country, two systems" framework enables it. Our East-meets-West connectivity thrives on it.

Ladies and gentlemen, we look forward to building a future that rewards us all.

I wish you all a memorable Summit and a new year full of promises and possibilities.

Thank you.

