

Speech by SCED at Hong Kong FinTech Week 2024 (English only)

Following is the speech by the Secretary for Commerce and Economic Development, Mr Algernon Yau, at the second day of the Main Conference of Hong Kong FinTech Week 2024 today (October 29):

Distinguished guests, ladies and gentlemen,

Good morning.

Welcome to day two of the Main Conference of Hong Kong FinTech Week 2024. It is my pleasure to join you all here this morning.

Hong Kong has all along attached great importance to developing fintech businesses, with a view to developing our city as an ideal destination for fintech firms from around the world. As a symbol of this goal, Invest Hong Kong (InvestHK) has been organising the flagship Hong Kong FinTech Week since 2016 to gather the global fintech stakeholders, including investors, professionals and practitioners, in Hong Kong to discuss the latest developments and explore new opportunities.

Being the premier annual international fintech event in Asia, this mega event has been receiving overwhelming support and serving as a great platform over time for Hong Kong's expanding fintech business. With its theme "Illuminating New Pathways in Fintech", Hong Kong FinTech Week this year is expected to attract more than 30 000 visitors, and over 800 speakers and 700 exhibitors from over 100 economies. In fact, such a scale can hardly be matched by other similar fintech events. I am glad that you are in the right place today, and I can assure you of an exciting series of events in the rest of Hong Kong FinTech Week.

Being a "super connector" and a "super value-adder", Hong Kong acts as an important gateway between the Mainland and the overseas markets. Our city is a place where we advocate entrepreneurship and innovation, and also a perfect launch pad for fintech companies to be groomed locally and globally.

Under "one country, two systems", Hong Kong continues to maintain our uniqueness as one of the most liberal and easiest places to do business in the world. In terms of foreign direct investment, Hong Kong remains the world's fourth largest destination as revealed in the World Investment Report 2024; Hong Kong is once again ranked in 2024 as the freest economy by the Fraser Institute; and we are ranked the third globally, the first in the Asia-Pacific region as well as one of the top 10 fintech hubs around the globe according to the recent Global Financial Centres Index report.

These recognitions are attributed to our institutional advantages

including a robust common law legal system, an independent judiciary, a simple and low tax system, world-class professional services, and many others, which are the very foundation of Hong Kong's success as an ideal place for fintech companies to thrive.

Coupled with an array of new business-friendly initiatives announced in the 2024 Policy Address this month, all businesses in Hong Kong, including the fintech sector, could benefit from them. For example, the updated Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) provides more flexibility and convenience for Hong Kong companies to invest and do business on the Mainland. All companies based in Hong Kong, regardless of their place of origin, can all benefit from the latest CEPA enhancements. My friends, I strongly recommend that you set up your fintech and related financial operations in Hong Kong in order to enjoy these advantages.

Apart from companies, we also have good news for individuals. For non-Chinese Hong Kong permanent residents, they are now eligible for the Mainland travel permit since July this year. This groundbreaking measure provides unprecedented convenience for visits to the Mainland for various purposes, including business, leisure or family trips, multiple times within a validity period of five years. Additionally, if you are a non-permanent Hong Kong resident who is also a foreign staff member of a Hong Kong-registered company, the validity period of your multiple-entry visa has now been extended to a maximum of five years to facilitate your Mainland trips. To experience the convenience brought by the two new measures, I would suggest that our overseas friends apply for the permit or multiple-entry visa, if eligible.

In fact, we note that Hong Kong's competitiveness and business-friendly environment, which I have mentioned above, has already been highly recognised by many fintech companies. In 2024, we are home to over 1 100 fintech companies, representing a 14 per cent year-on-year increase according to InvestHK's statistics. In the first nine months of this year, InvestHK has helped 470 overseas and Mainland enterprises to establish or expand their business in Hong Kong, and over 23 per cent of them are from the fintech, financial services and related sectors. The above encouraging results have explained Hong Kong's attractiveness to the global fintech community.

As always, InvestHK, being the Government's investment promotion agency and your best business partner in Hong Kong, will assist your companies to set up or expand business here. With InvestHK's extensive and sophisticated global network, you will have no difficulty in receiving their valuable advice and unfailing support even if your companies are located outside Hong Kong. Taking the golden opportunity today, I would encourage you all approach InvestHK and see what advice they can offer you from the investment promotion perspective.

Finally, I would like to give my big thanks to our fintech friends here today for your participation in and strong support for FinTech Week and confidence in Hong Kong, especially those who have joined the event for years. I hope you enjoy today's conference and explore more business

opportunities. And don't forget to take a walk through our city to enjoy the delicious food and beautiful scenery in Hong Kong.

Thank you.