

Strengthening Fintech Co-operation between Hong Kong Monetary Authority and Financial Services Regulatory Authority of Abu Dhabi Global Market

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) and the Financial Services Regulatory Authority (FSRA) of the Abu Dhabi Global Market (ADGM) jointly announced today (November 22) the exchange of a Memorandum of Understanding (MoU) to deepen the ongoing partnership on fintech between the two authorities, particularly in the areas of cross-border trade-related data exchange and business collaboration, with a view to further promoting inclusive and innovative financial services leveraging fintech and data in both markets.

The MoU was signed by the Executive Director (Financial Infrastructure) of the HKMA, Mr Colin Pou, and the Senior Executive Director – Authorisation & Fintech of the FSRA, Mr Kwok Wai-lum. The exchange of the MoU is an important milestone in cementing and strengthening the collaboration between the two authorities, building upon the solid foundation laid by the signing of a Co-operation Agreement in 2018.

Under the MoU, the two authorities will contemplate joint Proof-of-Concept projects to connect the HKMA's Commercial Data Interchange (Note 1) to the ADGM's SME Financing Platform (Note 2). The two authorities will also join forces to explore use cases for cross-border data exchange with user consent to address potential pain points in cross-border banking services such as small and medium-sized enterprise (SME) account opening and financing to facilitate cross-border trading.

Mr Pou said, "We are delighted to deepen our collaboration and knowledge exchange with the FSRA through this MoU. This underscores our shared commitment to advancing fintech development and unleashing the potential of data. Both authorities recognise the importance of creating next-generation data platforms and enabling cross-border data exchange in the age of digitalisation. We trust that our collective effort will foster financial innovation and empower SMEs in both jurisdictions with enhanced financing opportunities."

Mr Kwok said, "This MoU further strengthens the strategic partnership between the FSRA and HKMA to foster cross-border trade and business leveraging technological innovation. We are excited by the tremendous possibilities that the digital bridge between our platforms can bring, in connecting the marketplace of the UAE and the Greater Bay Area through the respective gateways of ADGM and Hong Kong. We look forward to working closely

with the HKMA in building a vibrant ecosystem for SMEs in both jurisdictions."

Note 1: Launched in October 2022 by the HKMA, Commercial Data Interchange is a consent-based financial data infrastructure that aims to facilitate enterprises, in particular SMEs, to share their commercial data at both public and private data sources with banks in Hong Kong, thereby enhancing their access to financial services.

Note 2: Developed by the ADGM, the purpose of the SME Financing Platform is to connect SMEs and lenders through a seamless digital platform with features that have been designed to financially empower and support the growth of the SME ecosystem across the United Arab Emirates (UAE).

