

Panel on Financial Affairs

**Follow-up actions arising from the meeting on
9 June 2014**

**Agenda Item V – Establishment of Shanghai-Hong Kong Stock
Connect**

To address members' concerns about differences in regulatory and enforcement policies and practices of the Mainland and Hong Kong securities markets in relation to cross-boundary trading under the Shanghai-Hong Kong Stock Connect, the Administration/Securities and Futures Commission is requested to provide information in collaboration with the Hong Kong Exchanges and Clearing Limited on –

- (a) regulatory regime for electronic trading, including regulation against high-frequency trading;
- (b) enforcement cooperation against cross-boundary illegal activities (e.g. insider trading) and
- (c) whether the laws of the Mainland and/or Hong Kong would prevail for compliance by investors of the two sides and in cross-boundary enforcement.