

(Translation)

**Motion on
“Promoting the development of a financial technology hub
to reinforce Hong Kong’s position as an international financial centre”
moved by Hon CHAN Chun-ying
at the Council meeting of 30 January 2019**

**Motion as amended by Hon CHAN Kin-por, Hon Charles Peter MOK,
Hon WONG Ting-kwong and Hon Christopher CHEUNG**

That the development of financial technology (‘Fintech’) has already brought tremendous changes to the financial industry worldwide; it is stated in the Chief Executive’s 2017 Policy Address that ‘[a]s an international financial centre with a highly-developed information and communication technology sector, Hong Kong is an ideal place for the development of financial technologies’; in this connection, this Council urges the Government to adopt effective measures to assist the banking, insurance and securities sectors, etc., of the financial industry in the further development and application of Fintech, entice Fintech enterprises and talents to establish their bases in Hong Kong, and encourage local tertiary institutions to offer professional Fintech courses, so as to increase the Fintech adoption rate in society; the Government should also offer retraining courses for financial industry practitioners to enable them to adapt to new developments in Fintech; at present, the financial centres of various countries are actively refining their financial infrastructure, rules and regulations in order to seize the opportunities presented by Fintech; yet, in areas such as opening Application Programming Interface (i.e. ‘API’) to facilitate the interoperability and sharing of data, exploring the effective use of technologies such as blockchain and regulatory technologies for cost reduction, tackling the challenges posed by technological development to regulatory regimes, and nurturing Fintech talents, Hong Kong remains relatively slow; in this connection, this Council also urges the Government to motivate local employees to pursue studies on Fintech-related skills to assist themselves in self-enhancement and transformation, provide financial institutions with incentives for developing new technology applications, assist local technology start-ups in creating more development opportunities, update legislation in a timely manner to facilitate investment in and application of innovation and technology, improve the regimes for personal data and privacy protection, and offer subsidies to enterprises for enhancing their capabilities in information security, so as to enhance the overall competitive edge of Hong Kong in Fintech; moreover, the Government should also allow more different industries and Fintech start-ups to use the Fintech Supervisory Sandbox introduced by the Hong Kong Monetary Authority for conducting trial runs on their Fintech initiatives, develop

electronic ‘know your client’ utilities, enhance the interfacing of the electronic payment and clearing platforms among Hong Kong, the Mainland and the international community, and step up public education on Fintechs and their associated products and services, so as to foster Hong Kong’s development into a Fintech hub; this Council also urges the Government to review the Technology Voucher Programme which aims to subsidize small and medium enterprises (‘SMEs’) in using technological services and solutions, including raising the funding amount of technology vouchers, reducing the proportion of financial contribution required of applicant enterprises, expanding the funding scope of technology vouchers, and streamlining the relevant application procedures, as a means of enhancing support for SMEs and encouraging SMEs to upgrade themselves, so as to embrace the advent of an Fintech era.