

Press Release

LCQ12: Assisting enterprises of "Belt and Road" countries in opening bank accounts

Wednesday, June 29, 2016

Following is a question by the Hon Ng Leung-sing and a written reply by the Secretary for Financial Services and the Treasury, Professor K C Chan, in the Legislative Council today (June 29):

Question:

At the end of March last year, our country issued a document entitled "Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road" outlining the development ideas and blueprint of the Belt and Road Initiative. The Government has indicated that it will actively participate in and dovetail with the implementation of the strategies of the Belt and Road Initiative and explore the roles that Hong Kong could play, including serving as centres for capital formation and financing and international asset management under the Belt and Road Initiative. In this connection, will the Government inform this Council whether it has studied ways to assist enterprises of the Belt and Road countries in opening bank accounts in Hong Kong; if it has, of the details, including the difficulties such enterprises may encounter when opening bank accounts, and the measures the Government will take to help such enterprises tackle the relevant difficulties?

Reply:

President,

The Hong Kong banking industry is actively pursuing preparatory work to harness business opportunities brought by the Belt and Road Initiative. There are some 150 banks now in Hong Kong providing a comprehensive range of banking services for corporate customers. Individual banks may position themselves differently in accordance with their development strategies, identify suitable business partners among enterprises in the 60-plus economies along the Belt and Road, and provide them with banking services such as syndicated loans, project finance and asset management.

In view of increasing international efforts to combat money laundering and terrorist financing as well as the imposition of sanctions and other regulatory requirements, banks tend to adopt more stringent "customer due diligence" measures. With respect to bank account opening, the Hong Kong Monetary Authority (HKMA) requires banks in Hong Kong to adopt a risk-based approach, which is an internationally recognised concept, so that customer due diligence measures should be applied in a balanced manner, proportionate to different risks which different types of customers, transactions or services present. HKMA will collaborate closely with the business community and the banking industry to ensure that access to basic banking services by legitimate businesses will not be unreasonably impeded.

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