

Press Release

Hong Kong financial services delegation begins Shanghai visit

Thursday, August 13, 2009

A financial services delegation led by the Secretary for Financial Services and the Treasury, Professor K C Chan, today (August 13) met leaders of the Shanghai Municipal Government on the first day of a visit to Shanghai.

The delegation also met leaders of related financial regulatory authorities to gain a better understanding of the latest development of Shanghai's financial market. Another purpose of the visit is to follow up the implementation of the liberalisation measures relating to the financial services industry of the Supplement VI to the "Mainland and Hong Kong Closer Economic Partnership Arrangement".

The 40-plus delegation comprises representatives of various sectors including securities, banking, accounting, insurance, regulatory organisations, professionals financial services organisations and financial services intermediaries.

In the morning, Professor Chan and the delegation met the Chairman of Shanghai Municipal Government Financial Service Office, Mr Fang Xing-hai, where they were briefed on the latest development in the financial market in Shanghai. They also discussed issues of mutual interest.

In the afternoon, the delegation visited Shanghai Stock Exchange. Professor Chan and the delegation then called on Vice-Mayor of Shanghai, Mr Tu Guangshao. The meeting was also joined by senior officials of the People's Bank of China Shanghai Head Office and China Insurance Regulatory Commission.

At the meeting, Professor Chan updated the Shanghai officials on the development of the financial market in Hong Kong. He also talked about how Hong Kong being a highly open and internationalised market could bring together capital from the Mainland and overseas thus enhancing Hong Kong's position as a premier capital raising centre, asset management centre and the Renminbi activity platform outside the Mainland.

On the future financial development of China, Professor Chan said Hong Kong should strengthen co-operation with Shanghai and capitalise on its status as an international financial centre in the Asia time-zone.

Hong Kong should also adopt an international outlook and boost the national advantages with Shanghai. Both places should be mutually supportive and complementary in a joint effort to contribute to the country's financial reform", Professor Chan said.

Professor Chan hoped to explore with Shanghai ways in which the two places could jointly facilitate financial development, reform and innovation while meeting the country's overall development needs in line with the mutually beneficial win-win principle.

He said that from the perspective of the country's overall interest, Shanghai and Hong Kong were of mutually beneficial relationship. "As a highly international, liberal and institutionalised international financial centre, Hong Kong has relatively more experience and advantages in facilitating Mainland financial institutions to go international step by step, attracting foreign capital and introducing financial innovation. Hong Kong and Shanghai can bring their own strengths into play and capitalise on different co-operation platforms to promote the development of the financial industry in the two places," Professor Chan said.

Professor Chan and members of the delegation also exchanged views with Shanghai officials on concrete measures to boost financial co-operation, such as the exploration of introducing exchange-trade fund of Hong Kong stocks into the Mainland.

Professor Chan said the various measures stipulated in the Supplement VI to the "Mainland and Hong Kong Closer Economic Partnership Arrangement" would enhance the financial co-operation and facilitate economic development between Hong Kong and Shanghai. He had confidence that the new initiatives would be welcomed by Hong Kong's financial various financial sectors.

The delegation will visit the Shanghai World Expo Exhibition Hall tomorrow (August 14) to learn about the progress of the preparation of the World Expo 2010 Shanghai. The delegation will also meet senior executives of the Shanghai Industrial Investment (Holding) Co Ltd. Professor Chan and the delegation will return to Hong Kong in the afternoon.

Ends