

## **Press release**

### **Hong Kong to seize Islamic finance opportunity**

Wednesday, November 11, 2009

The huge market potential of the Islamic finance sector as shown by double-digit growth for Shariah compliant assets over the past decade had driven Islamic financiers to look beyond historical boundaries to explore new territories, both within and outside the Muslim world, the Secretary for Financial Services and the Treasury, Professor K C Chan, said in Tokyo today (November 11).

Speaking at the Islamic Finance Symposium 2009 hosted by Nikkei Inc, Professor Chan said that Hong Kong, being an international financial centre, was moving ahead to put in place a conducive platform for the development of Islamic finance.

"We believe Hong Kong is well placed to become a centre for Islamic finance in Asia. Our sound financial services infrastructure and well-established legal system make Hong Kong an attractive location for such investments," he said.

Professor Chan said many conventional and reputable financial institutions had entered the market and offering products such as sukuk as well as offering asset management service driven by the accumulation of wealth of both individuals and institutions, in particular in the Gulf and emerging Asia.

A unique advantage for Hong Kong, Professor Chan said, was its unrivalled role in bridging the Mainland, the world's fastest growing economic giant, to the international market. He said by bridging the investment needs from the Middle East and the capital needs in the Mainland, Hong Kong could be the trusted platform in linking the East and West - the new Silk Road.

Professor Chan briefed his audience that the Hong Kong Government was preparing legislative amendments to the tax regime with a view to levelling the playing field for sukuk vis-a-vis conventional bonds.

Before concluding his visit in Tokyo, Professor Chan visited the Tokyo Stock Exchange where he was briefed by President and CEO Mr Atsushi Saito on the latest development of Japan's equities market.

Professor Chan will return to Hong Kong tonight.

Ends