

# 參與世博 連繫香港 Connect to Hong Kong at Shanghai Expo

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## **Interview with Professor K C Chan, the Secretary for Financial Services and the Treasury (translation)**

Vincent: Hello, I am Vincent Lui. On July 21, Hong Kong will stage a high-level Finance Forum at the Pudong Shangri-La Hotel in Shanghai. The Forum, titled: “Stronger Links, Stronger Markets: Hong Kong, the Mainland and the World”, is a key financial event in Hong Kong’s participation in Shanghai Expo.

I am joined by Professor K C Chan, the Secretary for Financial Services and the Treasury, to discuss this upcoming Finance Forum.

Nice to meet you Professor Chan, perhaps we can start by briefly introducing this Finance Forum.

Professor Chan: Yes, you are right that the major goal of this Finance Forum is to support Shanghai Expo. The Expo is a very important activity, and we are honoured to participate in it. Apart from building a stand-alone Hong Kong Pavilion next to the China Pavilion, we are hosting forums related to Hong Kong every month during the Expo period. July is a special month. July 1 was the Anniversary of Hong Kong’s reunification with the motherland, and the “One Country, Two Systems” principle was also implemented in July (1997) as well. So our theme for July in Hong Kong’s participation in Shanghai Expo is “Connect to HK: One Country, Two Systems”.

On July 21 we are going to stage a Finance Forum in Shanghai, which is directly related to “One Country, Two Systems”. Matching the theme “Connect to HK: One Country, Two Systems”, we hope to promote the recent developments of the Hong Kong financial market. Also, we would like to discuss with our friends in Shanghai the opportunities and challenges facing the development of our financial markets. The forum is co-organised by Hong Kong Exchanges and Clearing Limited (HKEx), Invest Hong Kong and the Financial Services and the Treasury Bureau.

Vincent: This Forum is a Hong Kong SAR programme for Shanghai Expo. What are the goals and targets that Hong Kong would like to achieve during this event?

Professor Chan: The Forum is titled “Stronger Links, Strong Markets: Hong Kong, the Mainland and the World”. Nowadays the financial markets change so quickly. We are going to discuss several topics during the forum: First the new regulations and situation of the financial environment; second, the financial reforms in the Mainland; third, the opportunities presented by the internationalisation of the Renminbi. We hope to share our views with stakeholders in Shanghai. About 400 attendees at the Forum will join government officials and well-known financial leaders from Hong Kong and the Mainland for the discussions.

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城市最佳實踐區香港展覽 - 「智能卡·智能城市·智能生活」浦西園區，E片區，B4-2展館

### HONG KONG @ EXPO

Hong Kong Pavilion - “Hong Kong – Potential Unlimited”, Zone A, Pudong, Adjacent to Chinese National Pavilion

Hong Kong’s Urban Best Practices Area Exhibition - “Smart Card · Smart City · Smart Life”, Hall B4-2, Zone E, Puxi

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Vincent: We call Hong Kong an international financial centre, what competitive advantages do we have in this regard?

Professor Chan: Hong Kong is an international city. Our financial market is fully connected with the rest of the world. Our legal system measures up to international standards and together with our free flow of capital and information, this provides Hong Kong the advantages in the international market. Through these advantages and under the unique “One Country, Two Systems” environment, we can help enterprises in China to go global and participate in international financial services. Hong Kong provides a good environment of financing, and some very good capital management services to the enterprises in China. On one hand we help the continuous opening up of China, on the other we help ourselves to become an international financial centre.

Vincent: As you mentioned, July is a very special month for Hong Kong since the “One Country, Two Systems” formula was implemented in July (1997). What influence or impact does this implementation have on financial markets in Hong Kong and the Mainland?

Professor Chan: You are right. I think that the financial industry is the best example of the successful implementation of “One Country, Two Systems”. “Two Systems” means the connection between Hong Kong’s financial regulatory systems and the rest of the world. It is very unique. Our free flow of capital, as I have mentioned, is an important demonstration of “Two Systems”. What is “One Country”? “One Country” means that our target for financial services is the Mainland. The enterprises and investors in China want to go global through Hong Kong. As Hong Kong develops as a financial centre, we hope that we can match with the economic and financial market development strategy of our country. We have “One Country”, we have “Two Systems”, and this contributes to our success in the financial industry.

Vincent: We can see that the recent financial development of Shanghai and other Mainland cities is impressive. In your opinion, what is the division of work and the positioning of Hong Kong and Shanghai in the international financial market?

Professor Chan: Hong Kong and Shanghai should be complementary. Just as I said, Hong Kong is a market connected to the rest of the world, and its internationalisation is unique. Shanghai is the most important financial market in the Mainland which requires an important financial centre such as Shanghai to support the continuous opening up and economic development of the nation. Following China’s gradual internationalisation, the internationalisation of Shanghai as a financial centre will increase. Shanghai and Hong Kong should be complementary with each other. Hong Kong is a fully internationalised market, and can work together with Shanghai in the gradual internationalisation of the China market. We will be in a complementary relationship and helping each other.

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Vincent: Thank you very much Professor Chan, and I wish you every success for the upcoming Finance Forum in Shanghai. As Professor Chan has said, important issues related to Mainland China's continuing opening up, its development and the internationalisation of its financial markets will be discussed during the Forum. Speakers will include key political and business leaders from the Mainland, Hong Kong and overseas, as well as senior representatives from major international financial institutions. Please also take a look at the other online interviews in connection with the Finance Forum.

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