

**Preparatory Task Force's Report
on the Setting Up of a
Financial Services
Development Council**

December 2012

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FOREWORD

1. The financial services industry is one of Hong Kong's pillar industries. It is a major contributor to our GDP; it creates jobs requiring different levels of skill; it supports the development of our real economy; and it is globally competitive. The unique competitive advantages of Hong Kong have made it the leading international financial centre in Asia.

2. Yet the financial services industry is also one of the most globalised sectors in Hong Kong and faces fierce competition in a fast changing international landscape. The challenges are compounded by the rapid and enormous flow of global capital and the increasingly stringent regulatory requirements by regulators worldwide. At the same time, there are opportunities for further development as Hong Kong continues to play a significant role in the internationalisation of Renminbi and the liberalisation of China's capital markets.

3. These diverse and interactive forces require us to evaluate our current strengths and weaknesses, to consider and explore new potentials, and to better prepare ourselves to meet the challenges ahead. These forces also call for closer collaboration between the various stakeholders and

the Government to enhance the competitiveness and ensure sustainable development of our financial services industry.

4. In his election manifesto, the Chief Executive committed to establishing a Financial Services Development Council ("FSDC") to facilitate and enhance the long-term development of Hong Kong's financial services industry. On 27 June 2012, he appointed us to a Preparatory Task Force on FSDC to assist the Government in studying the establishment of FSDC. The Preparatory Task Force's mandate is to propose to the Government the objectives, terms of reference, governance structure and modus operandi of FSDC.

5. In carrying out our task, we have deliberated questions such as –

- What should be the roles of the future FSDC? How can it complement and add value to what other institutions have been doing?
- What are the relevant local and overseas experience and practice?
- What specifically should be the tasks to be undertaken by the future FSDC?

- What type of support and resources will be required by FSDC to properly do its job?

Government in our efforts to promote the sustainable development of the financial services industry and the financial market in Hong Kong.

6. With these questions in mind we conducted desktop research; we engaged extensively with industry practitioners, academia, commentators and think tanks; we consulted financial regulators and relevant agencies; and talked to people from similar overseas organisations. In total, we met 13 times and conducted 12 consultative sessions in the past few months. The groundwork and the discussions have provided us with much insight and inspiration about the questions we asked. We are deeply indebted to our interlocutors for their unreserved counsel and constructive advice. Throughout the process it was evident to us the stakeholders' commitment in promoting our financial services and expanding our market, as well as their desire to serve the common good of Hong Kong. We would also like to thank the Financial Services and the Treasury Bureau ("FSTB") for the secretariat support given to us.

Preparatory Task Force on FSDC

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7. We hope that this report answers the questions we set for ourselves and those posed to us during the consultation. We also hope that our recommendations would help the Government in setting up an institution that would forge closer collaboration between our stakeholders and the

EXECUTIVE SUMMARY

1. Accounting for about one-sixth of the economy and being one of the four pillar industries, the financial services industry is a major contributor to economic development in Hong Kong. It generates substantial tax revenue and direct employment of over 220 000 persons. The vigor of the industry also brings about growth and job opportunities in professional services and other related sectors. Robust financial services support the real economy and our local enterprises, in addition to the financial needs of our population.

2. Our financial services industry has demonstrated impressive international competitiveness. Hong Kong has consistently been recognised in renowned international comparisons as the top financial centre in Asia and one of the key centres globally. Among other things, the Hong Kong Stock Exchange ("SEHK") raised the most initial public offering equity funds globally from 2009 to 2011. We also have the biggest offshore liquidity pool for Renminbi, a nascent international currency for trade and investment.

3. While there are abundant opportunities for Hong Kong's financial services industry to flex its muscles as the global economic centre of gravity is shifting to Asia (particularly China), we at the same time face fierce

competition in the region and globally. There is a need to reflect seriously on how to tackle impediments to the development of the industry, to explore high potential areas, to build a more diversified business portfolio, and to stay ahead of competition through continuous product innovation and service improvement.

4. The future FSDC must add value to this process by working closely with stakeholders including the Government, regulators and industry practitioners. There is a need to establish FSDC as –

- A high-level, cross-sector advisor to the Government on the long-term development strategy of Hong Kong as a globally significant international financial centre.
- A focal point for views and ideas to facilitate an informed discussion on policy formulation and implementation.
- A champion and ambassador to market the industry's services locally and overseas.
- A capacity builder to ensure our professionals are equipped to support this highly knowledge-based and fast-moving industry.

However, FSDC should not play the role of a policy bureau or that of a financial regulator.

5. Local and overseas experiences in establishing development bodies have provided invaluable reference for FSDC. Local development bodies, such as Hong Kong Trade Development Council ("HKTDC"), Hong Kong Tourism Board, Hong Kong Logistics Development Council and Hong Kong Port Development Council, have served their respective industries well by providing a platform for stakeholders to advise the Government on ways to enhance the competitiveness and development of the industries concerned. Internationally, financial services development bodies have been established by other financial centres to advise their governments on competitiveness strategies, to promote the industry, conduct research, and to facilitate communications and market development.

6. During the study the Preparatory Task Force consulted relevant stakeholders including market practitioners, academia, commentators, think tanks, regulators and relevant public bodies. The consultees generally support the establishment of FSDC and wish it to be an independent body with broad-based representative membership, so that the currently fragmented views and interests could

be channeled to provide strategic advice to the Government. They want to see enhanced efforts in sustainable market development, industry promotion and continuous and targeted training for practitioners.

7. It is recommended that FSDC be set up to enhance, elevate and champion the competitive position of Hong Kong as an international financial centre of global significance and to promote the sustainable development of our financial services industry. More specifically, FSDC should advise the Government on strategies and measures relating to financial services and play an overarching cross-sectoral role as well as focus on specific issues; serve as a multi-facet communication platform for engagement between the Government/regulators and the industry on market opportunities and regulatory concerns; support knowledge and competence development in the industry through collaboration with education and training institutions and the industry; and promote the industry and Hong Kong as an international financial centre on the Mainland and overseas.

8. Having studied local and overseas experiences, it is recommended that FSDC be set up as a company limited by guarantee to project an independent image as well as enhance its operational flexibility, governance and transparency. Its



board of directors, with broad representation yet kept to an appropriate size, will be tasked to ensure FSDC can discharge its function effectively, while functional sub-committees will be responsible for specific work areas.

9. The executive team of FSDC needs to possess substantial knowledge and experience of international and local financial markets, as well as the network and resources required to mobilise market support and input. It may start off with a smaller manning scale, to be gradually scaled up over the years to a headcount of around 15. FSDC could rely primarily on public sector support in its inception years and move gradually towards a substantially self-sustaining operational model with contributions from the industry and private sector. In the initial stage when the executive support is not in full scale, FSDC may need to prioritise its

work in accordance with the resources available.

10. As a public organisation, FSDC's operation should be transparent. Apart from meeting the statutory requirements on Hong Kong companies, FSDC should adopt additional accountability and transparency measures such as submission of budgets and business plans to the Government. It should also have regular communication with stakeholders, the public and the Legislative Council.

CHAPTER 1 – IMPORTANCE OF THE FINANCIAL SERVICES INDUSTRY

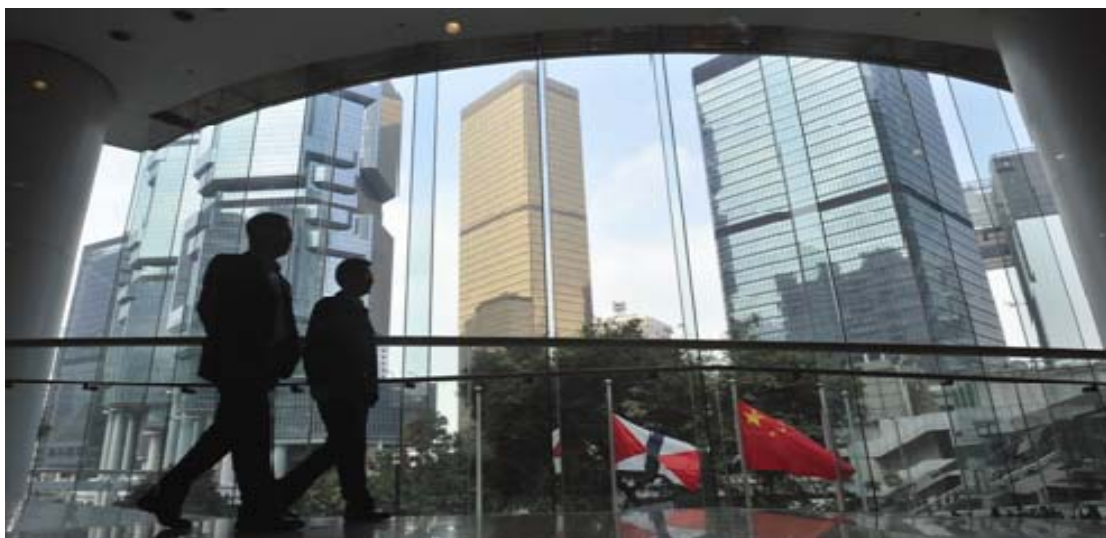
1.1 This chapter examines the importance of the financial services industry in terms of its contribution to the local economy, job creation and its strategic significance. It also highlights the opportunities and challenges for the sustainable development of the industry.

(i) A Major Economic Pillar

1.2 The financial services industry is one of Hong Kong's four pillar industries. Alongside its sturdy expansion over the past decade, the industry has been an increasingly vital engine which propels economic development and creates numerous job opportunities for the local workforce.

1.3 In its own right, the financial services sector is a major component of the local economy –

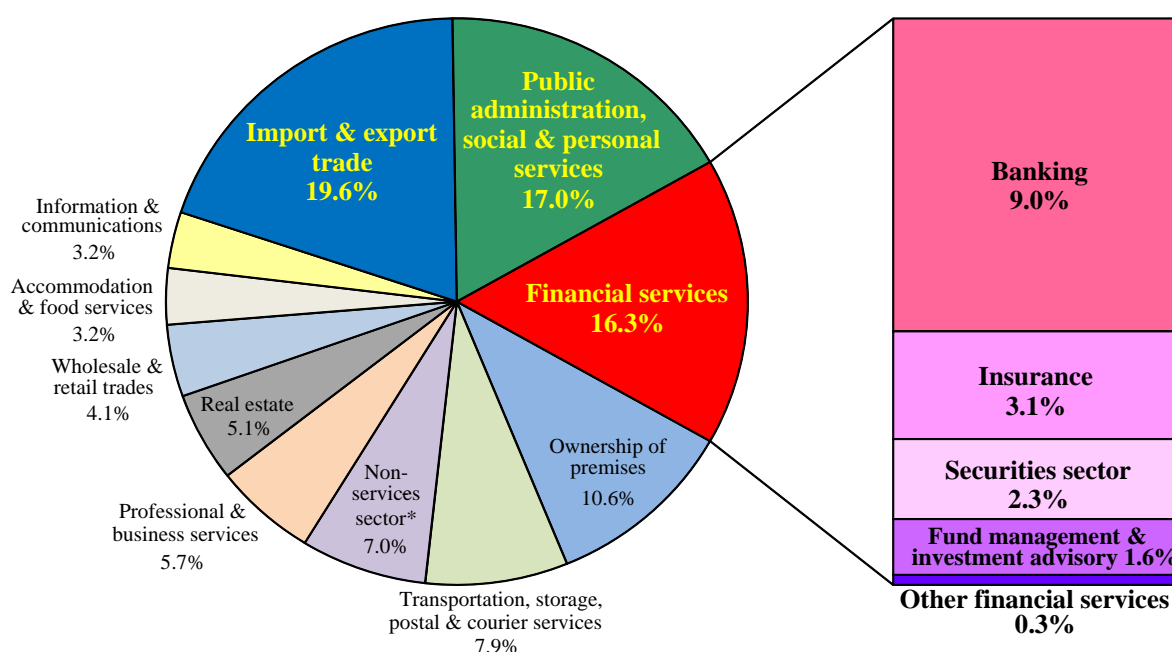
- In 2010 its direct contribution to Hong Kong's GDP was a sizeable HK\$284 billion or 16.3% of our GDP (compared to HK\$164 billion and 12.8% in 2000).
- Its economic contribution actually goes beyond 16.3% after taking into account the business it generates for other related industries and sectors such as professional services (see paragraphs 1.9 – 1.10 below).
- It is one of the key drivers of economic expansion. Between 2000 and 2010 it recorded a compound annual growth rate of 5.6% in nominal terms, nearly double the overall economy's 2.9%¹.



¹ In real terms (i.e. adjusted for price changes), the financial services industry grew at an average annual rate of 8.6% between 2000 and 2010, also well above that of 4.1% for the economy as a whole.

- Apart from the traditionally strong banking sector (which accounted for 9% of 2010's GDP), insurance (3.1%), the securities sector (2.3%) and fund management/investment advisory (1.6%) are becoming increasingly potent generators of economic activity. The aggregate contribution from non-bank financial services in 2010, at 7.3%, was ahead of that of professional and business services combined (5.7%).
- Its sales of services to Mainland and overseas (or export of services) reached a record high of HK\$119 billion in 2011 (or 6.1% of GDP), which tripled in a decade. This reflects the industry's global competitiveness.

Exhibit 1.1: Share in GDP by Major Industries² (2010)



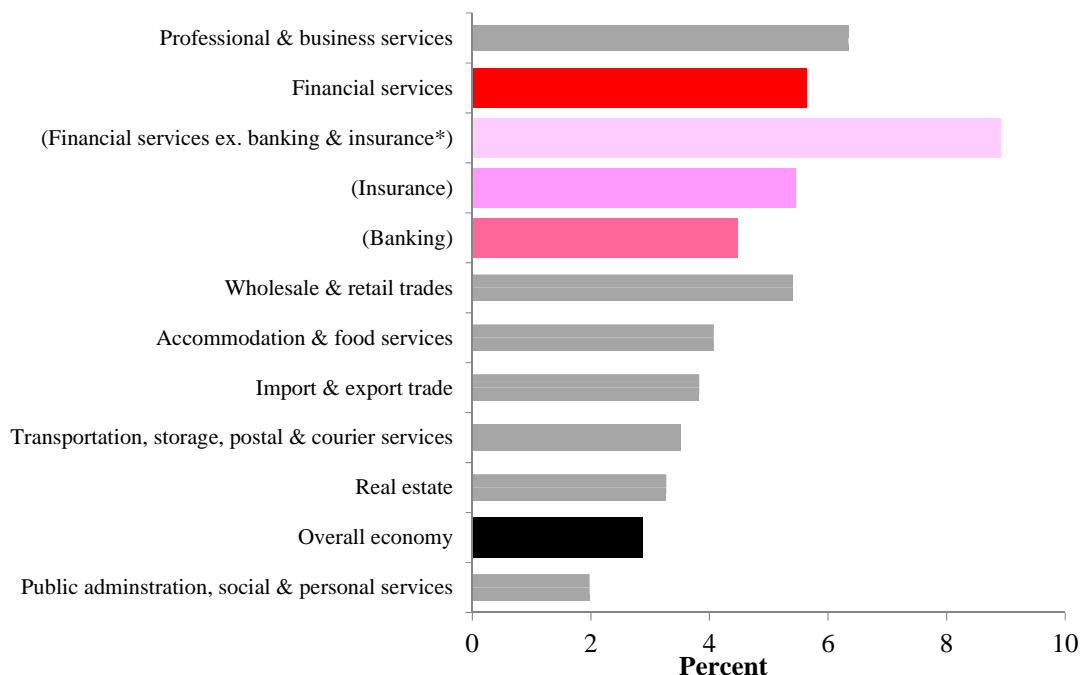
* Including agriculture and fishing, construction, electricity, gas and water supply, manufacturing, mining and quarrying, and waste management.

Figures may not add up to 100% due to rounding.

Source: Census and Statistics Department

² GDP is a measure of the total value of production of all resident producing units of an economy in a specific period (typically a year or a quarter), before deducting the consumption (or depreciation) of fixed capital. For a specific industry, its contribution to GDP is the value of goods and services it produces (or gross output) less the value of goods and services it uses up in the course of production (or intermediate consumption). From an income perspective, industry's contribution to GDP would comprise mainly compensation of employees and entrepreneurs' profit. Ownership of premises is the implicit value of (a) the leasing services provided by residential owner-occupiers to themselves; and (b) the leasing services provided to tenants by owners of premises in individual capacity.

Exhibit 1.2: Compound Annual Growth Rates of Selected Major Industries (2001-2010)



* Including securities, fund management and investment advisory.

Source: Census and Statistics Department

1.4 Financial services and market activities are also major contributors to tax revenue –

- Stamp duty arising from trading on SEHK amounted to HK\$23.3 billion in the 2010-11 fiscal year (accounting for 11.2% of total revenue collected by the Inland Revenue Department).
- Profits tax charged for the year of assessment 2010-11 on banks, insurance companies and unincorporated finance and securities firms was HK\$17.4 billion, accounting for 17.8% of total profits tax revenue³.

³ Profits tax was collected by the Inland Revenue Department. Classification is based on the principal lines of business as reported by companies. It is possible for a company to be engaged in multiple lines of business. Another sum of profits tax of HK\$21.8 billion was contributed by property, investment and finance corporations (other than banking), but further breakdown into financial services corporations specifically was not available.

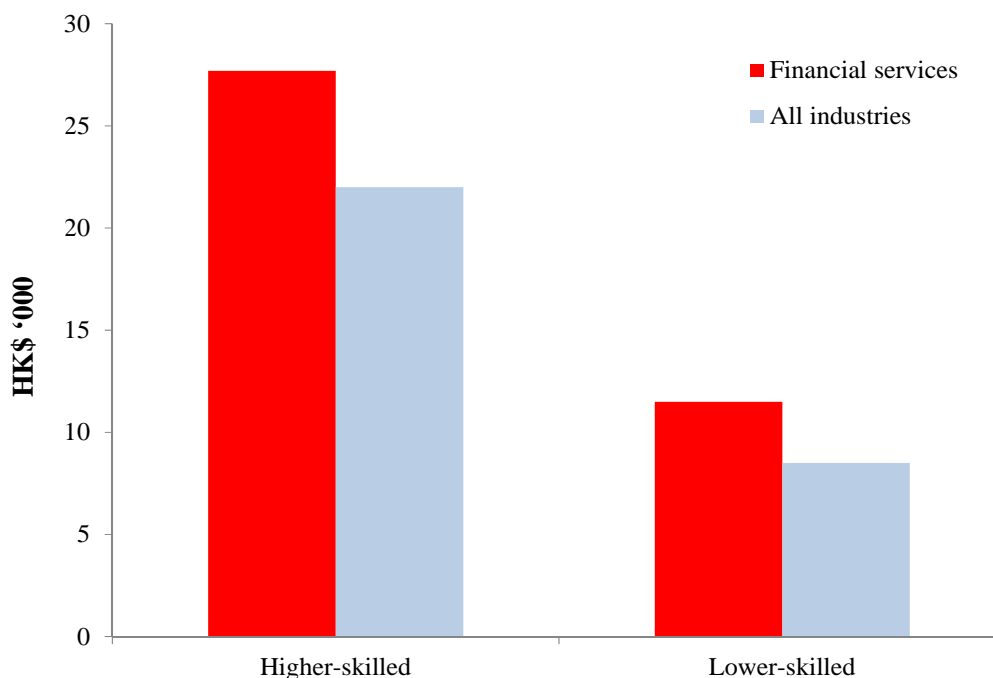
(ii) Major Source of Jobs

1.5 The financial services sector is a major source of job creation. According to the Census and Statistics Department ("C&SD"), the industry directly employed 226 300 persons in 2011, accounting for 6.3% of the total workforce. As compared to 2001, the industry added 48 200 jobs (or an increase of 27.1%).

1.6 The industry is characterised by high productivity across the sector: value-added per person engaged was

HK\$1.31 million in 2010, about 2.5 times of the economy-wide average (at about HK\$500,000). This also translates into visibly higher average earnings for both higher-skilled and lower-skilled workers vis-à-vis their counterparts in other sectors. The industry also provides jobs that require different levels of skill. For example, one in every four persons engaged in the industry is a clerical support worker; one in every three persons possesses upper secondary qualifications, comparable to the economy-wide average.

Exhibit 1.3: Median Monthly Employment Earnings⁴ (2011)



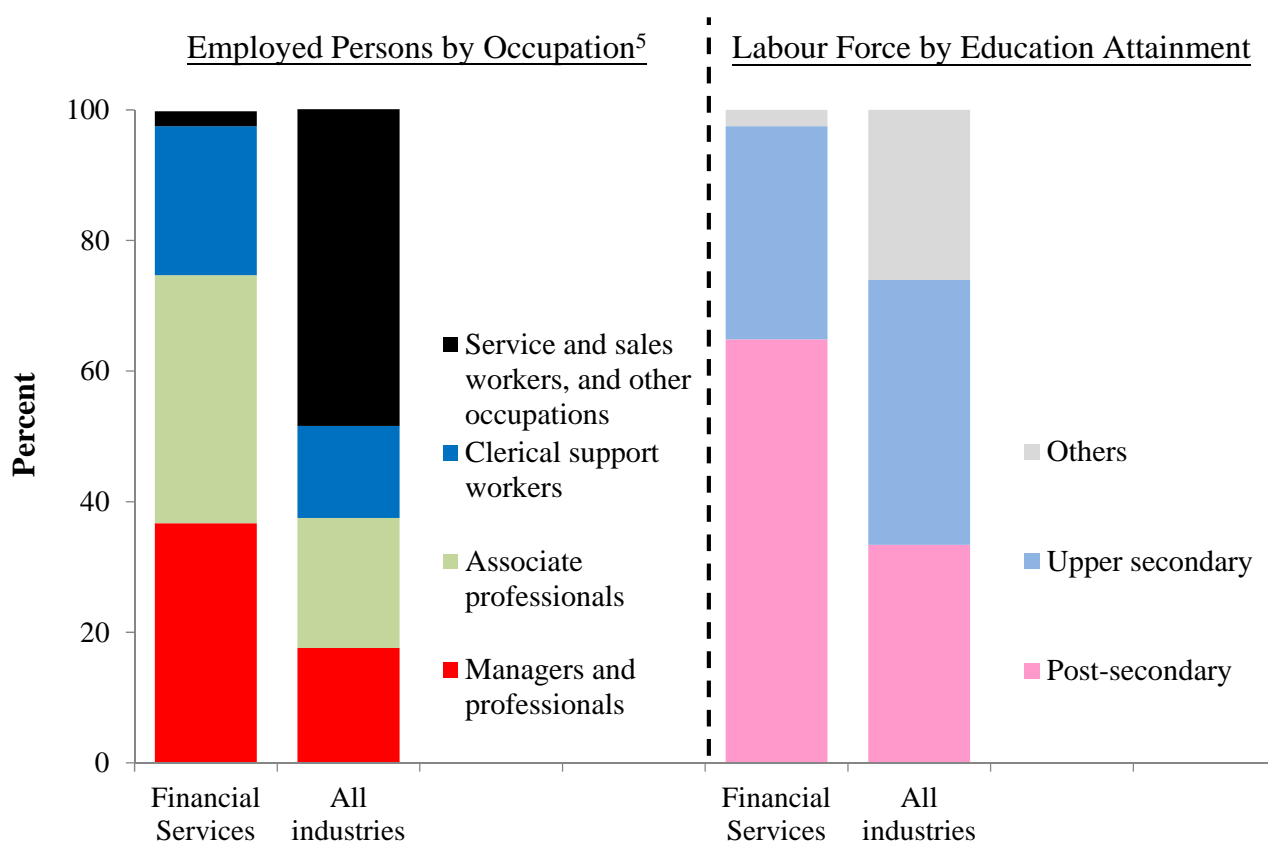
Source: Census and Statistics Department

⁴ Higher-skilled workers include managers, administrators, professionals and associate professionals. Lower-skilled workers include clerical support workers, service and sales workers, craft and related workers, plant and machine operators and assemblers, elementary occupations and other occupations.

1.7 The industry also epitomises Hong Kong's evolution into a knowledge-based economy. Workers with higher skills and educational attainment account for a major part of its workforce in the industry: the share of managers, administrators and

professionals employed in the financial services industry was 36.7% in 2011, more than double the overall figure of 17.6% for all industries; workers with post-secondary education also made up 64.9% of the industry, versus 33.6% in the economy as a whole.

Exhibit 1.4: Profile of Workers in Financial Services Industry (2011)



Source: Census and Statistics Department

⁵ Managers and professionals include, inter alios, administrators, consuls, directors, chief executive officers, presidents, general managers, functional managers, branch managers and small business managers, qualified professional scientists, statisticians, mathematicians, system analysts and computer programmers, lawyers, accountants, and business consultants and analysts.
Associate professionals include, inter alios, technicians, nurses and midwives, dental assistants, principals and teachers of primary school and kindergarten/nursery, computer operators, law clerks, accounting supervisors, sales representatives, superintendents, inspectors and officers of the police and other discipline services, and performers and sportsmen.
Service and sales workers, and other occupations include craft and related workers, plant and machine operators and assemblers, elementary occupations and other occupations.

1.8 This particular characteristic of the financial services industry also presents ample opportunities for upward mobility for aspiring young financial professionals and practitioners through targeted professional training and qualification programmes.

(iii) Multiplying Effect

1.9 The economic activity of the financial services industry also generates business demand for other sectors. According to C&SD, the contribution so generated amounted to about HK\$100 billion in 2010, of which procurement of such services as professional and business services, other support services, and real estate, which is directly attributable to the financial services industry, totaled HK\$44.2 billion (equivalent to 2.3% of GDP). More specifically, spending on –

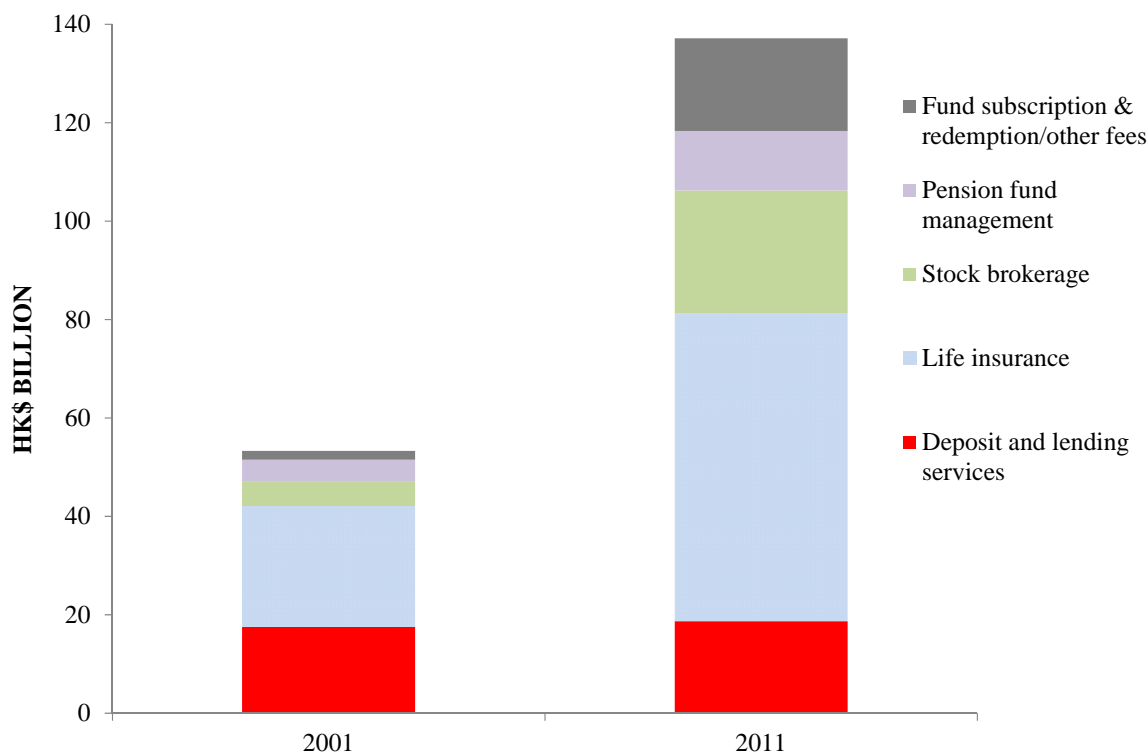
- advertising, business promotion, accounting, audit, legal and other business services: HK\$14.6 billion;
- transportation, travel, postage, newspaper and magazines, and communications: HK\$12.0 billion;
- property which includes rent, rates and government rent: HK\$17.6 billion.

Procurement of services for other miscellaneous industries amounted to another HK\$54.1 billion.

1.10 Furthermore, the financial services industry also contributes to our economy by –

- Supporting the real economy: for example, loans for use in Hong Kong increased by a cumulative 97.6% between end 2001 and end 2011 to HK\$3.71 trillion, with lending to companies in manufacturing, transport, and the wholesale and retail trade, many of them being small- and medium-sized enterprises, soaring by 154% to HK\$697 billion in the period.
- Providing a variety of personal financial services: private consumption expenditure on financial services almost tripled between 2001 and 2011 to HK\$137 billion (or 7.1 percent of GDP), and the variety of personal financial services has diversified from deposits and lending services and insurance services in the early 2000s to other wealth management services including private banking and subscription of mutual funds.

Exhibit 1.5: Personal Consumption Expenditure on Financial Services



Source: Census and Statistics Department

(iv) Strategic Significance, Opportunities and Challenges

1.11 The following global rankings offer a snapshot of the global competitiveness of Hong Kong's financial services industry and our strategic role as an international financial centre –

- The SEHK raised the most funds from initial public offerings (“IPOs”) cumulatively during the past five years (HK\$137 billion) among global stock exchanges, and led global IPO fund raising for three consecutive years from 2009 to 2011.
- Hong Kong is the first and largest offshore Renminbi market, with a diversified range of bond issuers from the Central Government and international organisations to local, Mainland and overseas financial institutions and corporations.
- The latest Global Financial Centres Index published in September 2012 ranked Hong Kong third globally, behind London and New York.
- The World Economic Forum in its Financial Development Report

2012 ranked Hong Kong first among 62 of the world's leading financial systems and capital markets for the second consecutive year.

- Hong Kong is the second largest asset management centre in Asia, behind Japan.
- Hong Kong is home to many of the world's leading financial services companies: 70 of the top 100 global banks have operations in Hong Kong.

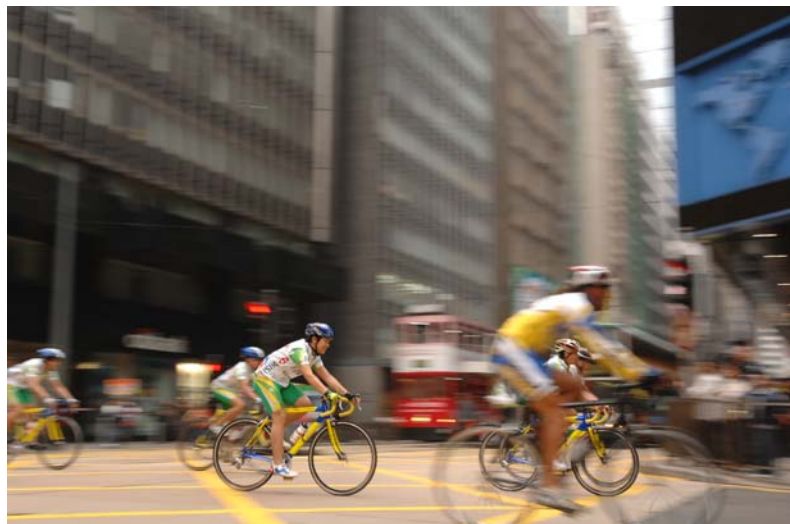
1.12 As the global economic centre of gravity is shifting to Asia, the need for a premier international financial centre in the Asia time zone is becoming ever more obvious. Hong Kong's sophisticated financial infrastructure is the perfect platform for China's inward and outward investments, growth of its nascent financial services sector and the many initiatives for the internationalisation of Renminbi. The ever growing affluence of the Asian population presents yet another opportunity for the development of asset management businesses based in Hong Kong. The pronouncement by the Central Government to support Hong Kong as an international financial and asset management centre, complemented by a continuing series of support policies and measures, adds the much needed impetus to this process.

1.13 We have to reap the full benefit from this favourable backdrop, not only to consolidate our traditional strengths (such as banking and equity markets) but to expand our catchment into burgeoning new areas. For example, by leveraging the emergence of Renminbi as an increasingly important transactional and investment currency, Hong Kong should push ahead with nurturing a vibrant multi-currency bond issuance platform, strengthening our spot foreign exchange market and developing innovative Renminbi products for international investors to tailor their investment exposure. The overseas expansion of Mainland enterprises and newly accumulated wealth of its affluent residents also bode well for expanding our corporate and private banking services.



1.14 Yet, challenges abound. Hong Kong has to ensure that we have a financial talent pool with depth and breadth which would be able to accommodate the anticipated increase in business volume in a number of areas

and be versatile enough to dive into emerging opportunities arising from the fast-evolving financial landscape. At the same time, there are competing claims by serious contenders in the region to be the leading international financial centre. To varying degrees cities like Tokyo, Singapore, Shanghai, among others, have their own competitive advantages. Currently, the base of our financial services sector is relatively narrow and we are acutely aware of our challenges, such as –



- Heavy reliance on the equities market: in 2011, equity funds raised on SEHK were HK\$488 billion, triple the amount of Hong Kong dollar bond issuances by local financial institutions and corporations (at HK\$162 billion).
- Much emphasis on the more down-stream distribution and marketing along the value chain of asset management, leaving the business model more susceptible to cyclical changes.
- Certain financial services businesses such as trusts and re-insurance are underdeveloped as compared to other regional financial centres.

1.15 To stay ahead of our international competitors and to ensure long-term development of the financial services industry, we should develop more diversified financial activities and related professionals to facilitate market development and industry growth in order to consolidate and elevate Hong Kong's position as an international financial centre as envisaged in the National 12th Five-Year Plan. We should also take a more active role to seize and capitalise on the opportunities arising from the Mainland's economic and financial development.

CHAPTER 2 – THE NEED FOR FSDC

2.1 This chapter studies the need for an FSDC: what added-value it will bring to Hong Kong's financial services; what it will and will not do; how it is going to work with other stakeholders. This is set against the backdrop of local and overseas experiences in having an institution to champion the development of the financial services industry or other major industries.

(i) The Stakeholders

2.2 Broadly speaking, three major types of organisation are involved in promoting the development of financial services in Hong Kong, namely the Government, the regulators and market participants.

2.3 FSTB is the policy bureau in the Government responsible for maintaining and enhancing Hong Kong's status as a major international financial centre. This policy objective is achieved by facilitating and coordinating initiatives to upgrade the overall market quality and ensure that Hong Kong's regulatory regime meets the modern day needs. A number of advisory committees have been set up to advise the Government on policies and measures relating to specific areas of financial services,

including bond markets and human resources.

2.4 Four principal financial services regulators perform prudential and regulatory functions within the overall policy and legislative framework laid down by the Government. The four regulators adopt an institution-based approach in discharging their respective regulatory roles. The Hong Kong Monetary Authority ("HKMA"), the Securities and Futures Commission, the Office of the Commissioner of Insurance and the Mandatory Provident Fund Schemes Authority are respectively responsible for the regulation of the banking, securities and futures, insurance, and retirement scheme industries.



2.5 Market participants are primarily the financial institutions and individuals who provide various types

and levels of services along the value chain of financial services. Many of these institutions and individuals are represented in one way or another by trade bodies, the majority of which are constituted by sub-sectors of the industry, such as banking, treasury market, securities and futures brokerages, insurance, asset management, trusts, and other types of investments. Some of the sub-sectors may be represented by a number of trade bodies, sometimes with overlapping membership but each with a slightly different focus. In addition, there are professional bodies whose work is closely related to the financial services industry, notably the legal and accounting professions. Given their mandates, these trade bodies are primarily concerned with development and regulatory issues that have direct impact on the specific sub-sectors that they represent.

2.6 Apart from the above stakeholders who have a direct interest in financial services, Invest Hong Kong ("InvestHK") – the Government agency tasked to promote investments into Hong Kong – and HKTDC are also engaged in the overseas promotion of Hong Kong's financial and other services. They also assist Mainland and overseas firms (including financial institutions) in establishing a business presence or looking for business opportunities in Hong Kong.

(ii) Any Missing Links?

2.7 The above snapshot suggests that the delineation of the respective roles and ambits of the various trade bodies is reasonably clear. However, on matters that cut across sectoral interests, the voices and efforts of these trade bodies are fragmented. Clearly, there is room for the establishment of a dedicated development body to complement the efforts of the existing institutional set-up and trade bodies to further the development of the financial services industry. Some potential roles are discussed below.

A high-level, cross-sector advisor

2.8 Unlike many other industries in Hong Kong, the financial services industry does not have an overarching advisory body which advises the Government on the long-term development strategy of the whole industry. Advice of this sort should address the fundamental issues of the positioning of Hong Kong as the leading international financial centre in the Asia time zone, Hong Kong's relative strengths and challenges in achieving and maintaining this position, the impediments or obstacles that need to be overcome, and the type of joint efforts required within and outside the industry. There is a case to review the functions of the existing committees set up to advise the Government on

financial services matters and, where appropriate, subsume them under one single advisory body for improved coherence and synergy.

A focal point of views and melting pot of ideas

2.9 The financial services industry globally is undergoing transformation with increasing number and types of financial products on the one hand, and the blurring of delineation between products on the other. Policy and legislative changes in one area will have repercussions in other areas. Even for issues that are local to a particular sector, the interests of different-sized firms may not entirely align. The existing rather fragmented mode of sectoral representation in the industry does not effectively meet the challenges posed by this changing landscape. There is a pressing need to bring together the aspirations and expertise across the different sectors and encourage the cross-fertilisation of ideas and identification of common objectives and priorities.

2.10 Sound policy decisions should be supported by solid research and reasoned arguments. So far research relating to the financial services is mainly done by the Government and regulators. In recent years there is an increasing number of research institutes or think tanks that put more focus in

this field. There is a need for a platform to encourage and foster collaboration between these institutions, the industry and the Government, marrying the intellectual vigour of academia with the innovation and pragmatism of the industry to produce quality work that would support policy formulation and implementation.

A champion and an ambassador

2.11 Promotion and branding are as important for financial services as for other industries. Fierce global competition in the financial world is as much between hubs as between products or firms. To be effective, promotional efforts should be coordinated and targeted, offering a wide array of possibilities ranging from specialisation to total solutions that cater to the varying needs of different markets. There is a strong case to form a "HK Inc." that develops a common financial services strategy and brand for the Government and its promotional agencies, regulators and market participants in order to promote Hong Kong's financial services on the Mainland and overseas.

2.12 Hong Kong has been faithfully implementing international obligations in financial services reform reached through multilateral consensus. Subsequent to the global financial crisis

in 2008, new standards and regulatory regimes have emerged at the international level in response to the contagion risk and imbalances highlighted by market dislocations in the past few years. Moreover, major economies including the European Union, US and UK are also radically restructuring their regulatory architecture and rolling out new rules on a wide range of market activities from asset management to proprietary trading.



2.13 However, details regarding the requirements and implementation of the new rules are often lacking, giving rise to huge uncertainties in the operating environment. Furthermore, the global market lately is facing many challenges in complying with an increasing number of unilateral regulatory measures with extraterritorial application. It is imperative for the affected market participants to get organised, speak in unison in expressing industry concerns and lobby overseas regulators and international organisations. FSDC

could serve as an influential voice for stakeholders in advocating a balanced approach in regulation, pointing out impracticalities and unintended consequences of these regulations. FSDC could bring together the stakeholders to build a consensus for pragmatic solutions that take into account the diverse interests of the financial services industry and the wider society in Hong Kong.

2.14 Internally there is also a need for the financial services industry to work together to promote good industry practice and corporate citizenship. This is vital to the sustainable development of the industry in a civil society like Hong Kong.

A capacity builder

2.15 Competition between financial hubs is also a competition for services and talent. Hong Kong is a meeting place for local, expatriate and Mainland financial professionals. Yet the education and training system can do more to offer specialised, useful programmes to nurture local talent for the financial services industry. There is a role for a body to help map out the manpower requirement of the industry, identify the gaps, reflect the industry's views regarding education and immigration measures required to fill the gaps, and bring together financial

institutions and the education and training institutions in developing programmes that would equip people with the right knowledge, skill, qualifications and quality.

(iii) The Limit

2.16 There is ample room for a development body to fill, yet there is also a limit to it. The body should play the roles of an advisor, a think tank, an industry coordinator, an advocate, and a facilitator. However, it will be neither a policy bureau nor a regulator and should not take up the functions of the Government or those of the regulators.

(iv) Similar Experience

2.17 The concept of having a development body is not unique to the financial services industry or to Hong Kong. It has been widely adopted in other local industries and other international financial centres.

(v) Local Practice

2.18 Dedicated industry development bodies are nothing new to Hong Kong. Other major industries, such as trade, logistics, tourism, technology and arts, have set up bodies to help promote and support the development of their respective

industries. HKTDC, established in 1966, is the first of its kind and has played a significant role in promoting, assisting and developing Hong Kong's external trade as well as advising the Government on measures to promote trade outside Hong Kong. Other development bodies such as Hong Kong Logistics Development Council, Hong Kong Port Development Council, Hong Kong Maritime Industry Council, Hong Kong Tourism Board, Hong Kong Productivity Council, Hong Kong Arts Development Council and Hong Kong Film Development Council have also made valuable contributions to the respective industries by playing a similar role.



2.19 While these development bodies serve different industries, they are generally comparable in their aim, modus operandi, funding, governance structure and forms of communication with the public. They serve as a platform for stakeholders to express views on issues of common concern

and interest, assess the needs of the industry and make recommendations to the Government on strategies and measures to enhance the competitiveness of the industry. They are high-level advisory bodies and are primarily publicly-funded. The governing body of these organisations usually comprises stakeholders from the industry as well as ex-officio members. Functional committees

with co-opted members are also set up to support their work. For transparency and accountability, corporate plans, annual reports and newsletters are often published by these development bodies.

2.20 Exhibit 2.1 summarises the key features of the development bodies of selected local industries.

Exhibit 2.1: Development Bodies of Selected Local Industries – Summary

Development Body	Major Objectives			Legal Status	Funding Sources	Governance: Formal governance body / Committees or Working Groups	Communications with public through publications (e.g. corporate plans, periodic or financial reports)
	Advisory, Engagement and Research	Development (e.g. training / market development)	Promotion				
Hong Kong Trade Development Council	✓	✓	✓	Statutory body	Government & Operational activities	✓	✓
Hong Kong Tourism Board	✓	✓	✓	Statutory body	Mainly from Government	✓	✓
Hong Kong Productivity Council	✓	✓	✓	Statutory body	Government & Services income	✓	✓
Hong Kong Arts Development Council	✓	✓	✓	Statutory body	Mainly from Government	✓	✓
Hong Kong Logistics Development Council	✓	✓	✓	Advisory body	Government ¹	✓ ¹	
Hong Kong Maritime Industry Council	✓	✓	✓	Advisory body	Government ²		
Hong Kong Port Development Council	✓	✓	✓	Advisory body	Government ²		
Hong Kong Film Development Council	✓	✓	✓	Advisory body	Government ³	✓ ³	

Notes:

1. Subsumed under the Transport and Housing Bureau and supported by sub-committees.
2. Subsumed under the Transport and Housing Bureau.
3. Subsumed under the Commerce and Economic Development Bureau and supported by committees.

(vi) Overseas Experiences

2.21 What other financial centres are doing to facilitate the development of their financial services industry and promote its services also provides useful reference. In this regard, we have researched into selected developed and emerging economies that have formed financial services development bodies.

2.22 While leading financial centres such as New York and London have established dedicated committees or bodies to support and promote their financial services industry, developing economies such as the Mainland and

Qatar are also ahead of Hong Kong in this regard. In fact, most of these financial services development bodies were set up in the last decade.

2.23 These financial services development bodies in general perform similar functions, including advising the government on strategies and measures to enhance competitiveness; providing a channel for stakeholders to express views; promoting the industry in domestic and overseas markets; conducting research and studies as well as facilitating training of professionals and market development.

2.24 As regards the institutional set-up of these bodies, some of them are established as trade associations or companies limited by guarantee (e.g. Paris EUROPLACE and TheCityUK); some as advisory committees (e.g. New York Financial Services Advisory Committee), statutory bodies or government departments (e.g. Singapore Financial Sector Development Fund and Shanghai Municipal Office of Finance Service). For those development bodies which have a more structured organisational set-up such as TheCityUK, there is a board of directors comprising representatives from the financial services industry and related sectors. A number of theme-based committees and working groups are also formed to support the board in different areas of concern.



2.25 Funding sources of these development bodies differ depending on their legal status. For those set up as companies limited by guarantee or trade associations, membership fees from private sector members usually account for the bulk of the funding for the organisation. Another source of funding comes from the government, especially for those which are set up as advisory committees, statutory bodies and government departments. Sponsorship is also a source of funding for the development bodies in some cities.

2.26 On communications with the public, while not all overseas financial services development bodies make available their reports to the public, some do publish corporate plans, periodic and financial reports as well as newsletters to connect with their stakeholders and the general public.

2.27 Exhibit 2.2 summarises the key features of the financial services development bodies in selected countries and cities.

Exhibit 2.2: Financial Services Development Bodies of Selected Overseas Countries/Cities – Summary

Country / City	Development Body	Major Objectives			Legal Status	Funding Sources	Governance: Formal governance body / Committees or Working groups	Communications with public through publications (e.g. corporate plans, periodic or financial reports)
		Advisory, Engagement and Research	Development (e.g. training / market development)	Promotion				
Europe / US								
Frankfurt	Frankfurt Main Finance	✓	✓	✓	Association	Membership ²	✓ ³	✓
London	TheCityUK	✓	✓	✓	Company limited by guarantee	Membership & Government	✓ ⁴	✓ ⁵
Luxembourg	Luxembourg for Finance		✓	✓	Association (public-private partnership)	Government & Industry associations	✓	✓ ⁶
New York	Financial Services Advisory Committee ¹	✓			Advisory body	Government		
Paris	Paris EUROPLACE	✓	✓	✓	Association	Membership	✓ ⁴	✓

Country / City	Development Body	Major Objectives			Legal Status	Funding Sources	Governance: Formal governance body / Committees or Working groups	Communications with public through publications (e.g. corporate plans, periodic or financial reports)
		Advisory, Engagement and Research	Development (e.g. training / market development)	Promotion				
Asia								
Australia	Australian Financial Centre Forum / Australian Financial Centre Taskforce	✓			Advisory body	Government		
Shanghai	Shanghai Municipal Office of Finance Service	✓	✓	✓	Government department	Government		
Singapore	(a) MAS – Financial Centre Development Department / Financial Markets Strategy Department		✓	✓	Government department	Government		
	(b) Financial Sector Development Fund		✓		Statutory body	Government		✓
Middle East								
Dubai	Dubai International Financial Centre	✓	✓	✓	Government department	Government	✓	✓
Qatar	Qatar Financial Centre Authority	✓	✓	✓	Government department	Government	✓	

Notes:

1. Formed by New York City Economic Development Corporation.
2. The state of Hessen and city of Frankfurt are also members.
3. A single working group manages all day-to-day activities of Frankfurt Main Finance.
4. Committees are formed to roll out the development bodies' initiatives.
5. TheCityUK's corporate plan is featured in the City of London Economic Development Office's business plan.
6. Report on Luxembourg for Finance is featured in the annual report of the Luxembourg Bankers' Association.

CHAPTER 3 – CONSULTATION

3.1 The Preparatory Task Force consulted a diverse group of stakeholders, including industry players, academia, commentators, think tanks, financial regulators and relevant agencies, to collect their views on the objectives and roles, governance structure, modus operandi and resources requirement of the future FSDC. The list of consultees is set out at the Annex.



3.2 This chapter summarises the views received during the consultation.

(i) General Comments

3.3 The majority of consultees including the regulators expressed support for the establishment of an FSDC. They saw a need for such a body to explore ways to facilitate the strategic development of Hong Kong as an international financial centre,

growth of the financial services industry and promotion of Hong Kong's financial services on the Mainland and overseas.

3.4 They expected FSDC to complement and add value to the efforts of existing organisations – the FSTB, financial regulators, relevant agencies, and industry and advisory bodies – in the development of financial services in Hong Kong. Many of them

noted that different segments of the financial market were highly intertwined and saw the need for a forum which would coordinate the views of various industry sectors and advocate the interests of the financial market as a whole. They noted the fierce competition with other international financial centres and the need to

raise the profile of Hong Kong's financial markets vis-à-vis our competitors.

(ii) Objectives and Roles of FSDC

3.5 Consultees generally agreed that FSDC should provide a platform for stakeholders to express views and champion the interests of the financial services industry. FSDC should not only promote, but more importantly,

support the financial services industry. They considered that it was imperative for Hong Kong to sustain and enhance its competitive edge in facilitating and attracting overseas investments so as to maintain its premier position as a global financial centre and Asia's business hub. While there were many industry associations promoting their specific interests, it was noted that there was a lack of a forum dedicated to the whole financial services industry. FSDC should act as a facilitator to coordinate fragmented industry efforts and bring about cross-sectoral collaboration. They believed that the advice provided by such a forum should carry more weight than any single association because of FSDC's broad representation.

3.6 Many consultees saw a need for FSDC to consider a financial services development strategy for Hong Kong in the medium/long-term. There were expectations that FSDC's work and advice should be underpinned by policy research done in-house or in collaboration with other institutions. The regulators consulted also echoed the need to conduct more policy research to support policy formulation. There were widely held views that FSDC should leverage the expertise of industry professionals in collating views to put forth to the Government.

3.7 The majority of the consultees highlighted the importance of

enhancing the quality, professionalism and competitiveness of local financial practitioners as well as graduates, and equipping local graduates with practical financial knowledge. They saw a need to update the skill and expertise of local financial practitioners to increase Hong Kong's competitiveness as an international financial centre. They suggested that FSDC should help develop the core competence and knowledge of local financial practitioners through collaboration with education and training institutions and trade bodies. They believed there was a need to devise more focused and structured training programmes.

3.8 Most consultees considered it useful for FSDC to conduct promotion and to reinforce the image of Hong Kong as an international financial centre to overseas markets to attract new entrants. They noted that FSDC should try to leverage the existing work of HKMA, HKTDC and InvestHK. HKMA, HKTDC and InvestHK all offered assistance in this regard.

3.9 Some consultees considered it important to support and promote the development of local firms engaged in financial services, and hoped that FSDC would help local firms to increase their competitiveness. There were also views that FSDC should collaborate with industry players to explore new growth areas and opportunities.

3.10 The industry associations consulted considered it important that the existing dialogue with the Government and regulators would continue and not be replaced by FSDC. They regarded it as appropriate that FSDC would not take on policy execution, statutory or regulatory functions currently exercised by the Government and regulators. The regulators consulted saw FSDC as a policy advisory body complementary to their work.

(iii) Governance Structure and Resources of FSDC

3.11 Most consultees emphasised the need for FSDC to be a body independent of the Government and financial regulators so that it would be better positioned to reflect the views of the financial services industry. There were also views that FSDC should be industry-funded to maintain its autonomy. There was a suggestion that FSDC should be empowered with statutory powers or chaired by a senior government official to ensure effective implementation of FSDC's recommendations.

3.12 Consultees generally agreed that the membership of FSDC should be broadly based, with representatives drawn from the financial services industry and related sectors.

3.13 It was generally agreed that FSDC should be underpinned by committees, each focusing on a particular subject or area of concern. Some consultees also suggested subsuming under FSDC certain existing advisory committees that are performing some of the possible functions of FSDC.

(iv) Other Comments

3.14 During our engagement with stakeholders, we heard some other views and suggestions on enhancing the competitiveness of the financial services industry. While these views and suggestions did not relate directly to the subject of our consultation exercise, they provided useful reference for FSDC. They are broadly summarised below.



3.15 Some consultees expressed views on the impediments and challenges that would hinder the further development of our financial services industry. They highlighted in particular –

- increased competition from other regional financial centres such as Singapore and Shanghai (e.g. more streamlined procedures and shorter processing time for setting up hedge funds in Singapore; better air quality, lower rental and real estate prices elsewhere; insufficient international school places locally);
- shortage of talent supply with relevant skill, updated knowledge and international exposure of local financial practitioners in meeting the ever-changing needs of the financial markets;
- development of the financial services industry in recent years appeared to have slowed down as resources had been devoted to enhancing compliance regulation after the mini-bonds incident.

3.16 Consultees also suggested the following measures to overcome these impediments and challenges –

- to remove the existing impediments and develop new growth areas (e.g. to develop Hong Kong as an asset management hub by providing incentives or eliminating hurdles for funds to be domiciled locally; to leverage Hong Kong's close ties with the Mainland for further access into the Mainland market and promotion of offshore Renminbi business);
- to enhance Hong Kong's competitiveness as an international financial centre through publicity and promotion (e.g. to adopt "targeted marketing" and invite Mainland/overseas corporations to establish regional offices in Hong Kong; to champion the uniqueness and core competencies of the local workforce such as high efficiency, adaptability and ability to handle emergency matters);
- to provide an environment and infrastructure which are attractive to Mainland/overseas investors and talent (e.g. provision of more international school places; improvement of air quality; streamlining of entry process/procedures for talent);
- to nurture local financial practitioners by formulating new curricula with local universities and education and training institutions to ensure that existing and aspiring practitioners would have the relevant knowledge and skill required by the industry.

CHAPTER 4 – RECOMMENDATIONS

4.1 The previous chapters examined the importance of financial services to Hong Kong, the need to establish a dedicated body to advise the Government and to promote the development of financial services, and the views gathered from a wide spectrum of stakeholders on the



establishment of such a body. This chapter puts forth specific recommendations on the roles and the institutional arrangements of the proposed FSDC.

(i) Roles of FSDC

4.2 It is recommended that FSDC adopt the following mission, objectives and terms of reference:

Mission

- To enhance, elevate and champion the competitive position of Hong Kong as an international financial centre of global significance and to promote the sustainable development of our financial services industry.

Objectives

- To pursue its mission, FSDC aims to –
 - advise the Government on strategies and measures to expand the scope of our financial markets and enhance the competitiveness of Hong Kong as an international financial centre;
 - provide a channel for stakeholders to express views and champion the interests of the financial services industry;

- support the financial services industry in developing the core competence and knowledge of its practitioners; and
 - promote our financial services industry and Hong Kong as an international financial centre on the Mainland and overseas.
- To promote, on the Mainland and overseas, our financial services industry and Hong Kong as an international financial centre through seminars, road shows, publications, and through active participation in international events.

The proposed functions are further elaborated below.

Terms of reference

- To conduct policy research and industry surveys for the formulation of proposals to the Government and regulators;
- To work with regulatory and trade bodies to identify new opportunities for, and any constraints on, the sustainable growth and diversity of the financial services industry;
- To maintain a dialogue with the relevant bodies on the Mainland and overseas to support our financial services industry in accessing new markets and growth areas;
- To facilitate the upgrading of skills and expertise through collaboration with education and training institutions, trade bodies and practitioners; and

Tendering advice to the Government

4.3 The primary function of FSDC is to advise the Government on strategies and measures to enhance the competitiveness of Hong Kong's financial services and the further development of our financial market. Enhancing competitiveness is key to maintaining Hong Kong's status against the challenges posed by other aspiring financial centres in the region. This requires a fine balance between market development and robust regulation so as to provide a fair, transparent and efficient marketplace to facilitate the transaction, innovation and diversification of financial products. The Government and regulators concerned have been doing a good job in facilitating market development while maintaining the integrity of the financial system. This notwithstanding, the financial services world is becoming more complicated with time. At the policy deliberation and formulation stage, and to some extent at the

implementation stage, it is imperative to give due consideration to the market development dimension. Inputs from FSDC will enable the Government and regulators to make informed decisions which would enable Hong Kong to be more competitive than its rivals and facilitate our market in capturing new opportunities.

4.4 As noted in Chapter 2, at present there are a number of committees advising the Government with such focused and specific ambits as bond markets and human resources development. It is envisioned that FSDC will be an overarching cross-sectoral body to advise the Government on a wide range of matters relating to financial services.

4.5 FSDC can advise on specific issues, such as measures to support the development of a particular financial product or market segment, improvement of our competitiveness in a particular aspect where Hong Kong lags behind, or reform of legislation and the removal of any obstacles which hinder the legitimate provision of services and products. More importantly, FSDC should play a unique role in advising the Government on strategic issues that may cut across different sectors of the financial services industry. For example, recommendations may be proposed on certain segments that are underdeveloped in Hong Kong but have

the potential to grow. Similarly, there may be areas in the more established and mature sectors that could be further developed. Equally important to the development of the industry is the ability to nurture and attract professionals with the requisite expertise.



4.6 Another example would be the further enhancement of Hong Kong's status as the premier offshore Renminbi centre. As the pace of internationalisation of Renminbi picks up, the future for Hong Kong's continuing role is promising. FSDC can, in collaboration with HKMA, take a macro view by examining the role of Hong Kong in the internationalisation process: what are the building blocks that need to be in place in the banking, securities and insurance sectors and their interrelationship; what are the critical milestones to which we should

assign priority; what infrastructure should be planned and developed in anticipation of opportunities; what should be the relationship between the onshore and offshore markets; and what are the possibilities that turn the competitive relationship with other financial centres into a collaborative one for mutual benefit.

4.7 When reviewing this report, the Government may wish to consider whether there is merit in subsuming some of the existing non-statutory advisory committees under FSDC.

Conducting research

4.8 In the course of our engagement with stakeholders, there was a common view that more quality policy research is required for the financial services industry. It is not intended that FSDC would be a research institute, yet it needs research support in order to make sound policy recommendations. In addition to conducting research or industry surveys in-house, FSDC should collaborate with stakeholders and leverage the existing resources in the industry and academia in identifying projects and defining research objectives which are necessary for policy formulation. FSDC could also assist the Government in evaluating research reports submitted to the Government prepared by market participants.

A platform for industry to voice views

4.9 FSDC would provide a useful platform to pool expertise and representation from across the financial services industry. Increasingly there are cross-sectoral issues that cannot be dealt with by a sector-specific approach; the promotion of Renminbi businesses mentioned earlier being one prominent example. There are also regulatory issues, both international and local, that impact on various sectors of the industry. FSDC will also bring together various interests and help identify common objectives and concerns.

4.10 FSDC can play a pivotal role in facilitating communication between the Government/regulators and the industry by serving as a sounding board for the Government and regulators to hear industry feedback on new initiatives, in particular those having industry-wide implications. It can serve as a major forum that facilitates more effective and efficient engagement between Government and regulators and the stakeholders on reform measures and ad hoc issues.

4.11 FSDC will not assume any regulatory role. Prudential and conduct regulation is squarely the regulators' job by mandate. It would be useful, however, for FSDC to develop a partnership and collaborate with regulators to help the industry in better understanding the regulatory concerns

relating to market development initiatives. At the same time, FSDC can play an independent role in examining market concerns on existing rules and regulations which are perceived to be obstacles to market development.

Dialogue with Mainland and overseas bodies

4.12 FSDC can play a representative role in championing the interest of Hong Kong's financial services on the Mainland and overseas. It should seek to establish contacts and dialogue with the relevant government, regulatory and industry bodies outside Hong Kong to identify new market opportunities for Hong Kong companies. FSDC can also be the coordinator of industry efforts to lobby Mainland and overseas authorities where measures from other jurisdictions may have an adverse impact on our market and our practitioners.



4.13 FSDC's work in this respect will complement the Government's efforts in seeking access for Hong Kong companies into the Mainland and overseas markets, as well as inter-governmental dialogue regarding cross-boundary regulatory measures.

Human capital

4.14 A sufficient supply of high-calibre finance professionals is a crucial element of the infrastructure supporting the sustainable development of the financial services industry. It is also one of the hallmarks of an important international financial centre. FSDC can help gauge the human capital requirement of the industry in Hong Kong, in terms of the different types of jobs and expertise required to meet the demands of the ever changing financial services industry. Such information will be useful to the Government in assessing the manpower requirement and taking appropriate education and immigration measures to meet such requirement. FSDC should also work with local universities and other education or training institutions to ensure closer collaboration between the industry and the institutions in the design of finance-related training programmes. Collaboration can also take the form of training and internship opportunities at financial institutions.

Promotion

4.15 Mainland and overseas promotion of Hong Kong's financial services is an important tool to raise our flag and profile as a globally significant international financial centre, and to generate more business opportunities for Hong Kong companies, which will result in job creation locally.

4.16 Currently various government and statutory agencies are conducting periodic promotional activities on the Mainland and overseas. Some of these cover financial services amongst other industries, some are dedicated to financial services. FSDC has a role to play. It can organise flagship events of its own. It can also ride on the efforts of other promoters by joining thematic promotion campaigns, identifying target audiences and potential business partners through its industry network. FSDC can also help the Government to develop a common promotion strategy for Hong Kong's financial services.

(ii) Form of Organisation

4.17 Having studied local and overseas experiences, it is recommended that FSDC be constituted as a company limited by guarantee. This corporate structure is commonly adopted by non-profit organisations which do not intend to distribute profits to their members. It is also the form adopted by the recently established

Financial Dispute Resolution Centre.

4.18 The benefits of adopting a corporate structure include the following –

- FSDC will have its own identity and project a more independent image. This will be useful in facilitating industry engagement and enhance its credibility as a policy researcher and proponent. It will also have the added benefit of complementing the Government's efforts in the promotion of Hong Kong's financial services and lobbying of the authorities in other markets.
- FSDC will be subject to the statutory requirements under local company law. This will be conducive to the promotion of good corporate governance and transparency in its operation.
- A corporate structure with its own budget will provide FSDC with enhanced flexibility in business planning and resources management. It will enable FSDC to hire qualified people with relevant market experience.
- It provides more scope for FSDC to explore, further down the road, alternative funding sources or funding models to make it self-sustaining in the long run.

(iii) Governing Body

4.19 The typical governing body of a company limited by guarantee is the board of directors. It is recommended that FSDC's board be broadly representative of various sub-sectors of the industry yet kept to an appropriate size in order to ensure that FSDC can discharge its functions in an effective and efficient manner.

4.20 The board should set up functional sub-committees and/or appoint advisors or co-opt outside members as it sees fit. This will help broaden the participation of the industry and deepen the pool of expertise and resources available to FSDC. The sub-committees may be tasked with a specific function of FSDC (e.g. policy, research, human capital, promotion), the oversight of governance matters, or ad hoc assignments focusing on a particular subject.

(iv) Executive Support

4.21 It is anticipated that the executive team of FSDC needs to possess substantial knowledge and experience of international and local financial markets, as well as the network and resources required to mobilise market support and input. These qualities are crucial when FSDC conducts in-depth and thorough research, proposes sound policy

initiatives, engages productively with market participants, and promotes with credibility Hong Kong's financial services at international and Mainland forums.

4.22 The executive team of FSDC should be structurally lean, with the headcount primarily assigned to functional areas such as research, formulating policy proposals, market engagement, human capital development, promotion and lobbying. It may start off with a smaller manning scale, to be gradually scaled up over the years to a headcount of around 15, which is considered to be appropriate having regard to the proposed functions of FSDC. In the initial stage when the executive support is not in full scale, FSDC may need to prioritise its work in accordance with the resources available.

4.23 It is recommended that FSDC seeks to operate on a substantially self-sustaining model in the long run. TheCityUK, which derives its income from membership and government grant on a 80:20 split, is a useful reference model. Whilst it is debatable what should be the desirable mix of public and private contributions, involvement of the private sector in the funding arrangement will promote ownership of FSDC's work by market participants. It will assist FSDC to conceive ideas and drive initiatives that bring value to the development of the

financial services industry. Apart from membership, consideration can also be given to other possible income sources, such as donations, sponsorship for promotional events or research work. Contributions in kind, for example, pro bono work or even secondment of staff to FSDC, can also be viable options.

4.24 However, it would be advisable that FSDC's priority, in its inception years, is to gradually build up its credential. It is therefore recommended that FSDC rely primarily on public sector support at this initial stage. During this period FSDC should seek to devise a funding model that is more self-sustaining in the long run. It should also set a clear target for reducing the public sector contribution over time.

(v) Accountability and Transparency

4.25 As explained in paragraph 4.18, a company limited by guarantee is required to observe statutory requirements under the company law. These include requirements in relation to good corporate governance, such as –

- timely filing of information about members, directors, company secretaries and registered office to

the Companies Registry for public inspection; and

- filing with the Companies Registry, for public inspection, of annual returns incorporating director's report and audited accounts.



4.26 In addition to the above statutory requirements, consideration should be given by FSDC to adopting additional accountability and transparency measures that are common among other major public organisations. These may include submission of budgets and business plans to the Government for approval, tabling of annual reports at the Legislative Council, setting and implementing robust internal control procedures, actively communicating with stakeholders and the public through publications, media interviews and a dedicated website.

Annex

List of Consultees

Academia/Commentators/Think Tanks

Douglas Wayne ARNER (The University of Hong Kong)
Stephen Y L CHEUNG (Hong Kong Baptist University)
David K H CHUI (Hang Seng Management College)
David Y T LUI
Paul P L PONG (Hong Kong Professionals and Senior Executives Association)
David Michael WEBB
Stephen Y S WONG

Banking and treasury market-related associations/bodies

Deutsche Bank
Goldman Sachs (Asia) L.L.C.
Hong Kong Association of Banks, The
Hong Kong Chi Tung Association Limited, The
Hong Kong Institute of Bankers, The
J.P. Morgan
Morgan Stanley
Union Bank of Switzerland

Insurance-related associations/bodies

General Agents and Managers Association of Hong Kong, The
Hong Kong Chamber of Insurance Intermediaries
Hong Kong Confederation of Insurance Brokers, The
Hong Kong Federation of Insurers, The
Hong Kong General Insurance Agents Association, The
Hong Kong Insurance Practitioners General Union
Insurance Agents Registration Board
Insurance Claims Complaints Bureau, The
Life Underwriters Association of Hong Kong, The
Professional Insurance Brokers Association

Listing and investment-related associations/bodies

Alternative Investment Management Association (Hong Kong)
Chamber of Hong Kong Listed Companies, The
Chinese Gold & Silver Exchange Society, The
Hong Kong Exchanges and Clearing Limited
Hong Kong Investment Funds Association
Hong Kong Mercantile Exchange
Hong Kong Retirement Schemes Association, The
Hong Kong Venture Capital and Private Equity Association
Institute of Financial Planners of Hong Kong
International Swaps and Derivatives Association, Incorporation

Professional bodies

Hong Kong Bar Association
Hong Kong Institute of Certified Public Accountants
Hong Kong Institute of Directors, The
Hong Kong Trustees' Association
Society of Trust and Estate Practitioners (Hong Kong)

Securities-related associations/bodies

Chinese Securities Association of Hong Kong
Hong Kong Association of Online Brokers, The
Hong Kong Institute of Financial Analysts and Professional Commentators, The
Hong Kong Securities Association
Hong Kong Securities & Futures Professionals Association
Hong Kong Securities Institute
Hong Kong Securities Professionals Association
Institute of Securities Dealers, The

Government departments/Regulators/Statutory and advisory bodies

Hong Kong Monetary Authority
Hong Kong Trade Development Council
Invest Hong Kong
Mandatory Provident Fund Schemes Authority
Securities and Futures Commission
Advisory Committee on Human Resources Development in the Financial Services
Sector

