

**Opening Remarks by Mr Eddy Fong, SFC Chairman**  
**Meet-the-Media Session**  
**20 October 2006**

Good afternoon, Members of the Press

I am honoured to be appointed by the Chief Executive as the Chairman of the Securities and Futures Commission.

As you know I have been involved with the SFC for a number of years and am pleased to note that the SFC has a dedicated and professional team. However, I do not underestimate the responsibilities and challenges that I will face in the role of Chairman.

My first step is obviously to get to know the people within the Commission and its operations better. However, I would like to mention several priorities, which I will be focussing on:

Firstly, as Chairman of the Board, my foremost task is to provide leadership to its members to ensure that all members participate and contribute fully in setting strategies and directions for the Commission.

Secondly, as you are all probably aware, the role of the Chairman has been changed from an Executive to a Non-Executive one. Accordingly, one of my priorities will be to ensure that the CEO and I discharge our respective roles and responsibilities in a complementary manner. Equally importantly, I want to ensure that members of the Board and all SFC staff continue to work together as a team to carry out our duties effectively and efficiently and as laid down by the Securities and Futures Ordinance.

Thirdly, while carrying out its regulatory duties, the Commission should be mindful that it has another important role to play, which is to facilitate Hong Kong's ongoing development as a leading international financial centre. The big picture is that the financial market is globalising and Hong Kong must be part of it. In this connection, the Commission cannot work in isolation. It must liaise with its stakeholders, both locally and internationally, by expanding the existing dialogue regarding regulatory policies and market issues of common interest.

Lastly, and perhaps most importantly, the economic and market development in the Mainland will continue to fuel the growth of the Hong Kong market. Today over 40% of the market capitalisation in the Hong Kong Stock Exchange comes from companies originated from the Mainland. There is therefore a need to maintain close and regular ties with our counterparts in the PRC. I plan to build on the excellent relationship that the Commission has developed over the years with the China Securities Regulatory Commission, and address with the CSRC issues of mutual interest.

Thank you.