

# Regulatory engagement

## IOSCO

We are actively involved in international policy making. Mr Ashley Alder, our Chief Executive Officer, chairs the Board of the International Organization of Securities Commissions (IOSCO), which met in October, and we participate in all eight IOSCO policy committees.

The SFC hosted the October CPMI<sup>1</sup>-IOSCO Steering Group meeting which was co-chaired by Mr Alder and Mr Benoît Cœuré of the European Central Bank.

In the same month, Mr Alder participated in the EU-Asia Pacific Forum on Financial Regulation, which discussed the implementation of EU regulations with a cross-border impact, crypto-assets, sustainable finance and other capital market developments.

## Financial Stability Board (FSB)

During the quarter, Mr Alder, in his capacity as Chair of the IOSCO Board, participated as a member of the FSB Plenary and Steering Committee, which considers financial vulnerabilities in the global financial system.

We are actively involved in the work of the FSB Standing Committee on Standards Implementation (SCSI). Mr Keith Lui, Executive Director of Supervision of Markets, participated in the SCSI's meeting in October which focussed on the implementation and effects of the Group of Twenty (G20) reforms, the FSB's thematic monitoring work and peer reviews.

## Mainland China

In November, SFC Chairman Mr Tim Lui met Mr Liu Shiyu, Chairman of the China Securities Regulatory Commission (CSRC), in Beijing to discuss cooperation between the Hong Kong and Mainland capital markets.

In December, the 4th SFC-CSRC High-level Meeting held in Shenzhen discussed ways to enhance cross-boundary regulatory cooperation and key initiatives including investor identification for southbound trading under Stock Connect, proposals for ETF<sup>2</sup> Connect, the Mainland-Hong Kong Mutual Recognition of Funds arrangement and the full circulation of H shares. We also signed a memorandum



The 4th SFC-CSRC High-level Meeting

of understanding with the CSRC to enhance cooperation and the exchange of information in the supervision and oversight of financial institutions which operate on a cross-boundary basis.

To strengthen Hong Kong's cooperation with the Mainland, we attended the 7th Shenzhen-Hong Kong-Macau Financial Innovation Conference in Shenzhen in October. In addition, we received a visit from the Chinese Academy of Social Sciences to discuss Hong Kong's capital market and new opportunities arising from the development of the Guangdong-Hong Kong-Macau Greater Bay Area. We also received visitors from the State Council to discuss Hong Kong's role in facilitating the Mainland's financial reforms and its integration into global markets as well as ways to enhance Hong Kong's status as an international financial centre. With visitors from the People's Bank of China, we discussed the development of offshore renminbi business in Hong Kong.

## Green finance

As part of our efforts to advance Hong Kong's leadership in green finance, as set out in our *Strategic Framework for Green Finance* published in September, we participated in the IOSCO Sustainable Finance Network, the Advisory Group of the United Nations Sustainable Stock Exchanges Initiative and the G20 Sustainable Finance Study Group.

<sup>1</sup> Committee on Payments and Market Infrastructures.

<sup>2</sup> Exchange-traded fund.