



SECURITIES AND  
FUTURES COMMISSION  
證券及期貨事務監察委員會

# SFC Regulatory Forum 2016

## Polling results



# Panel 2

## Spotlight on Corporate Behaviour

## Question 1: Do you think the current rules and regulations to prevent backdoor listings are effective?

No



Yes



## Question 2: Do you believe that our GEM board is serving its purpose or should it be reformed?

No, GEM reform is needed.



Yes, it's fine.



### Question 3: Should the creation and trading of shell companies in Hong Kong be allowed?

No



Yes



# Panel 4

**Market Connectivity and Mutual Recognition:  
Financial Products across Borders**

## Question 1: Apart from mainland China, which do you think is the biggest potential market for Hong Kong-domiciled funds?

Southeast Asia



North Asia (Japan/Korea/Taiwan)



US



Major markets in Europe



## Question 2: What is the most promising China strategy for fund managers from outside Hong Kong?

Start a Hong Kong fund and cross-sell to the Mainland under Mutual Recognition of Funds (MRF)



Invest in a Mainland joint-venture asset management company selling funds there and in Hong Kong via MRF



Set up a wholly-foreign owned entity (WFOE) to conduct investment related activities and to raise funds when permitted



Wait patiently for mutual recognition to be extended to UCITS by the Mainland



# Panel 5

## Trends in Regional Enforcement

## Question 1: Have enforcement actions affected the culture of the financial industry?

Yes, they are a strong deterrent.



Maybe a bit, but ultimately it is all about profits.



Enforcement actions? Totally irrelevant.



## Question 2: Does strong enforcement stifle market competitiveness?

No, a solid regulatory system is a must to attract investment.



Yes, strong enforcement is bad for business.



## Question 3: What is the number one thing you can do to reduce your exposure to enforcement actions?

More training for frontline staff.



Spend more on legal and compliance.



Spend more on IT to address internal control problems.



Not our concern – we have lawyers to deal with that.

