



An International Financial Centre

Enhancing prudent supervision and transparency, reducing transaction costs and encouraging use of state-of-the-art information technology and professionalism are the key to maintaining Hong Kong's position as an international financial centre.

To put in place a sound financial infrastructure to facilitate growth and regulation of the industry

Initiatives	Benefits
Financial Services	
We will undertake a study to establish a secure intranet, linking our regulators and regulated institutions.	✓ This will be a first step towards straight through processing across sub-sectors of the financial system in an effective and efficient way.
We will undertake a study to see how the clearing systems between the securities, futures and banking sectors can be linked up.	✓ This will reduce risk and boost efficiency in cross-market transactions and clearing.
We will set up a statistical system to compile a complete Balance of Payments account and to improve the timeliness of key economic indicators.	✓ This will enable us to comply with the Special ata issemination Standard of the International Monetary Fund by the end of .



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Financial Services

We will support a study on the feasibility of establishing a Financial Services Institute to further improve the quality and professionalism of the industry.

- ✓ This will ensure provision of suitably skilled personnel for the future.

We will ensure that the operation of the Mandatory Provident Fund Schemes will facilitate the development of the financial market.

- ✓ The operation of the Schemes will benefit the capital and fund management markets.

We will encourage the Stock Exchange of Hong Kong to study the feasibility of developing a venture board in Hong Kong to help small and medium enterprises raise capital.

- ✓ This will enable small and medium enterprises to raise capital from the open market and facilitate investment in technology ventures.

We will plan to co-locate major financial services organisations including relevant government offices, regulators and exchanges at the Hong Kong International Financial Centre.

- ✓ This will become a hallmark of our financial industry, befitting Hong Kong's status as an international financial centre.



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Banking and Securities

We will continue to develop a banking supervisory framework in Hong Kong including implementation of the market risk capital charge framework.

- ✓ This will bring us in line with the recommendations of the Basle Committee on Banking Supervision.

We will study the impact of the development of electronic banking on the banking system and its implications for banking supervisory policy.

- ✓ This will enable us to bring our banking supervisory policy in line with technological developments in the banking business.

We will encourage the Securities and Futures Commission and the two Exchanges to establish an Investor Resources Centre.

- ✓ This will help enhance investors' knowledge of the market.