

HKMA virtual banking licences: FTAHK response

Henri Arslanian, Chairman, FinTech Association of Hong Kong, comments on the Hong Kong Monetary Authority issuing the first batch of virtual banking licenses:

“The FinTech community of Hong Kong welcomes today’s announcement. It is another example of the important positive role that regulators can play in catalysing the evolution of the financial services industry.”

“The granting of these virtual banking licenses is probably one of the most significant positive developments in the recent financial services history of Hong Kong.”

“This announcement is a very positive step in ensuring that Hong Kong can continue to evolve and stay competitive as a global financial centre.”

In addition, Musheer Ahmed, General Manager of the FinTech Association of Hong Kong, has written the following blog on the announcement:

A new era of virtual banking for Hong Kong

This week, the Hong Kong Monetary Authority (HKMA) issued the first round of virtual banking licenses to **Livi VB Limited, SC Digital Solutions Limited and ZhongAn Virtual Finance Limited**, a significant milestone in the evolution of Hong Kong’s FinTech ecosystem. The new virtual licenses are part of HKMA’s plan to encourage FinTech development, provide new customer experiences and promote financial inclusion in Hong Kong.

The new licenses will enable the banks to offer a new range of innovative digital banking services to their customers, taking the whole banking experience to the next level. This is a significant and positive step for Hong Kong, which will help cement its position as a pre-eminent global financial and FinTech hub. The announcement also demonstrates the important and positive role regulators play in encouraging innovation and bringing new products to market.

At the FinTech Association of Hong Kong, digital banking has always been a core part of our mission to position Hong Kong as a leader in FinTech development. Right from the start, we have supported the whole community, including startups, new entrants, existing banks and the new virtual banks, and our Digital Banking committee looks forward to supporting the whole community in this exciting new phase of banking in Hong Kong.

The first services offered under the new licences are expected to launch in the next 6 to 9 months, and our Digital Banking committee will be working closely with the community over the coming months and years to help make this new era of banking in Hong Kong a resounding success.

More information on this week's announcement can be found here:

<https://www.hkma.gov.hk/eng/key-information/press-releases/2019/20190327-3.shtml>

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