



SUMMARY OF HKMA / SFC BANK ROUNDTABLE SESSION ON BANK ACCOUNT OPENING (April 28, 2023)

The Hong Kong Monetary Authority (HKMA) and Securities & Futures Commission (SFC) convened a [much anticipated roundtable session on bank account opening](#), especially in light of the proposed [new virtual asset trading platform operator regulations](#) and the [Hong Kong government's push to be a Web 3.0 hub](#).

Co-hosted by Alan Au (HKMA Executive Director (Banking Conduct)) and Keith Choy (SFC Interim Head of Intermediaries), there were about 40 representatives from the regulators, government, banks and virtual asset service providers (VASPs).

On the eve of the roundtable, the [HKMA published guidelines for access to banking services for corporate customers on April 27, 2023](#), and Carmen Kan (HKMA Executive Director (Enforcement & AML)) outlined its risk-based approach that set the scene for the roundtable.

Each of the regulators initially outlined their positions, and then gave the floor to certain VASPs and Web 3.0 companies to share their experience and ideas, followed by the Hong Kong Association of Banks and certain banks responding to the VASP and Web 3.0 company feedback. Further questions and comments were then invited from the floor.

Some of the VASPs reiterated challenges even in setting up “house bank accounts” for operating e.g. payroll and rent, and hope that the recent HKMA guidance assists with that process.

In light of this, FTAHK has shared some of the responses from our members’ survey which revolved around the flow-on effect of VASPs/ Web3.0 not being granted bank accounts that impacts Hong Kong’s growing ecosystem and efforts to be a Web3.0 hub. These included:

- Employees of unbanked VASP/Web3.0 companies who receive cryptocurrency for their pay not being able to bank their earnings nor receive credit scores to apply for mortgages
- Consultants to unbanked VASP/ Web 3.0 companies who are paid in cryptocurrency and their challenges to off-ramp to fiat

- Investors in VASP/ Web3.0 companies and cryptocurrencies (especially if Hong Kong retail investors are soon to be able to invest in certain types of cryptocurrencies under the new regulations) who may have issues with banking their profits when queried about the source of funds

Some key takeaways for our FTAHK members are as follows:

1. On a risk-based approach, banks should be able to differentiate VASP/ Web 3.0 companies who seek to open lower-risk general corporate operating accounts for eg, payroll and rent.
2. SFC and HKMA have an arrangement such that the SFC can grant conditional licensing approval to allow the relevant VASPs and Web 3/0 companies to open bank accounts
3. Some banks have set up special departments for reviewing VASP/Web3.0 corporate account opening (it should be noted that such departments may be under the bank's financial institution as opposed to technology group)
4. If corporate clients have individual issues after working with banks on account opening, they can contact the HKMA for assistance. Currently, the relevant person is Candy Leung (Senior Manager, HKMA Banking Conduct Department), and FTAHK members should feel free to contact the FTAHK Executive Team for her email contact details.