

Press Release

Ms Julia Leung, Under Secretary for Financial Services and the Treasury of Hong Kong promotes Hong Kong as a pre-eminent renminbi offshore centre in Frankfurt

Hong Kong Economic and Trade Office, Berlin

Address:
Jägerstrasse 33, 10117, Berlin

Telephone:
+49 (0) 30 22 66 77 22 8

Fax:
+49 (0) 30 22 66 77 2 88

E-mail:
cee@hketoberlin.gov.hk

Website:
www.hketoberlin.gov.hk

Ms Julia Leung, Under Secretary for Financial Services and the Treasury of Hong Kong visited Frankfurt on 14 and 15 March to promote Hong Kong as the renminbi (RMB) offshore centre as well as to update German counterparts on the latest developments in financial services in Hong Kong.

At the luncheon co-hosted by the Hong Kong Economic and Trade Office (HKETO), Berlin and Hong Kong Trade Development Council in Frankfurt on 14 March, Ms Leung pointed out that China, as the world's second largest economy, largest exporter and holder of official reserves, is the only trading nation not using its currency to invoice trade and investments. "RMB internationalisation facilitates risk management in cross-border transactions. Hong Kong, as an international financial centre in its own right, is China's development advantage. Hong Kong is part of China, but yet a distinct financial market which serves as a natural firewall. Besides, Hong Kong offers a first mover advantage and provides a reliable testing ground for capital account opening as well as international use of RMB," she added.

"The pace of internationalisation of RMB is consistent with China's overall capital account liberalisation. In this regard, Hong Kong is well-positioned to benefit from the process of RMB internationalisation as well as to become a RMB offshore centre," she concluded. About 40 business leaders from leading German banks, financial institutions and law firms attended the presentation.

In addition, Ms Leung also took the opportunity to meet with a number of financial institutions in Frankfurt over her two days' visit. In the morning of 14 March, she met with Mr Gabriel Bernardino, Chief Executive Officer of the European Insurance and Occupational Pensions Authority, to discuss consumer protection in selling insurance and pension products, as well as alignment of investor protection and supervisory standards under different regulators. In the afternoon, she also met with Professor Andreas Dombret, member of the executive board of the Bundesbank, to discuss about the European economy and the outlook for the euro. Later in the afternoon, she gave a briefing to a group of fund managers in collaboration with the

Deutsche Bank at Steigenberger Frankfurter Hof.

In the morning of 15 March, Ms Leung visited the German Federal Financial Supervisory Authority to meet with Mr Michael Sell, Chief Executive Director to discuss macro prudential regulation and micro prudential supervision with a major focus on the changes made after the global financial crisis. Before leaving Frankfurt for Brussels, she addressed the Official Monetary and Financial Institutions Forum (OMFIF) on international reserves currency system hosted by Mr David Marsh, OMFIF's Co-Chairman.

About Hong Kong Economic and Trade Office, Berlin

HKETO, Berlin is HKSAR Government's first overseas representative office established since Hong Kong's reunification with China in 1997. It is the official HKSAR Government representative in commercial relations and other economic and trade matters in Germany as well as Austria, the Czech Republic, Hungary, Poland, Switzerland, Slovenia and the Slovak Republic. HKETO, Berlin can be contacted at cee@hketoberlin.gov.hk and by telephone at +49 30 22 66 77 228. More information can be found at www.hketoberlin.gov.hk

Photo caption

- Ms Julia Leung, Under Secretary for Financial Services and the Treasury of Hong Kong, gave a presentation in Frankfurt on Hong Kong as the renminbi offshore centre.

HKETO, Berlin

March 2011

END
