

Market Infrastructure



A purple heron forages among reedgrass at Mai Po. These densely packed yet flexible plants provide a rich habitat for birds and insects.

US dollar clearing system

An efficient and robust financial infrastructure is a crucial element in Hong Kong's success as an international city. In 2000 Hong Kong's financial infrastructure was reinforced with the implementation of a US dollar clearing system, enabling real time gross settlement (RTGS) of the full range of US dollar transactions during Asian hours. Using the interface between this new system and the existing Hong Kong dollar



Signing ceremony for the appointment of HSBC as the settlement institution for the US dollar clearing system in March 2000.

RTGS system, the world's first electronic Payment-versus-Payment settlement of a foreign exchange transaction took place in Hong Kong on 25 September 2000.

| **Benchmark performance criteria for EFBN** |

In September 2000 the HKMA introduced a set of benchmark performance criteria to ensure that the market-makers for Exchange Fund Bills and Notes (EFBN) are able to maintain a consistent performance and to facilitate the development of primary and secondary markets for EFBN.

| **Joint cheque clearing system with Guangdong Province** |

A cross-border joint cheque clearing system was established in October 2000 for Hong Kong dollar cheques drawn upon banks in Hong Kong and presented in 19 major cities in Guangdong Province. This followed the first such joint cheque clearing system implemented in early 1998 with Shenzhen.

| **Review of retail payment systems** |

In August 2000 the HKMA launched a comprehensive review of retail payment systems in Hong Kong, addressing the accessibility, cost, pricing, efficiency, competition and risks of various retail payment channels. The review will be completed in the first half of 2001.