

HKIB Annual Banking Conference

NextGen Banking: Adapting, Innovating, Thriving

Regulatory Update by HKMA

Arthur Yuen

Deputy Chief Executive

Hong Kong Monetary Authority

26 September 2025



Agenda

1

Strengthening Anti-Fraud-and-Scam Measures

2

Supporting Real Economy

3

Future Fintech Adoption Outlook

4

Facilitating Development of Tokenisation

01

Strengthening Anti-Fraud- and-Scam Measures



Proactive Approach to Anti-Fraud-and-Scam



PREVENTION



DETECTION

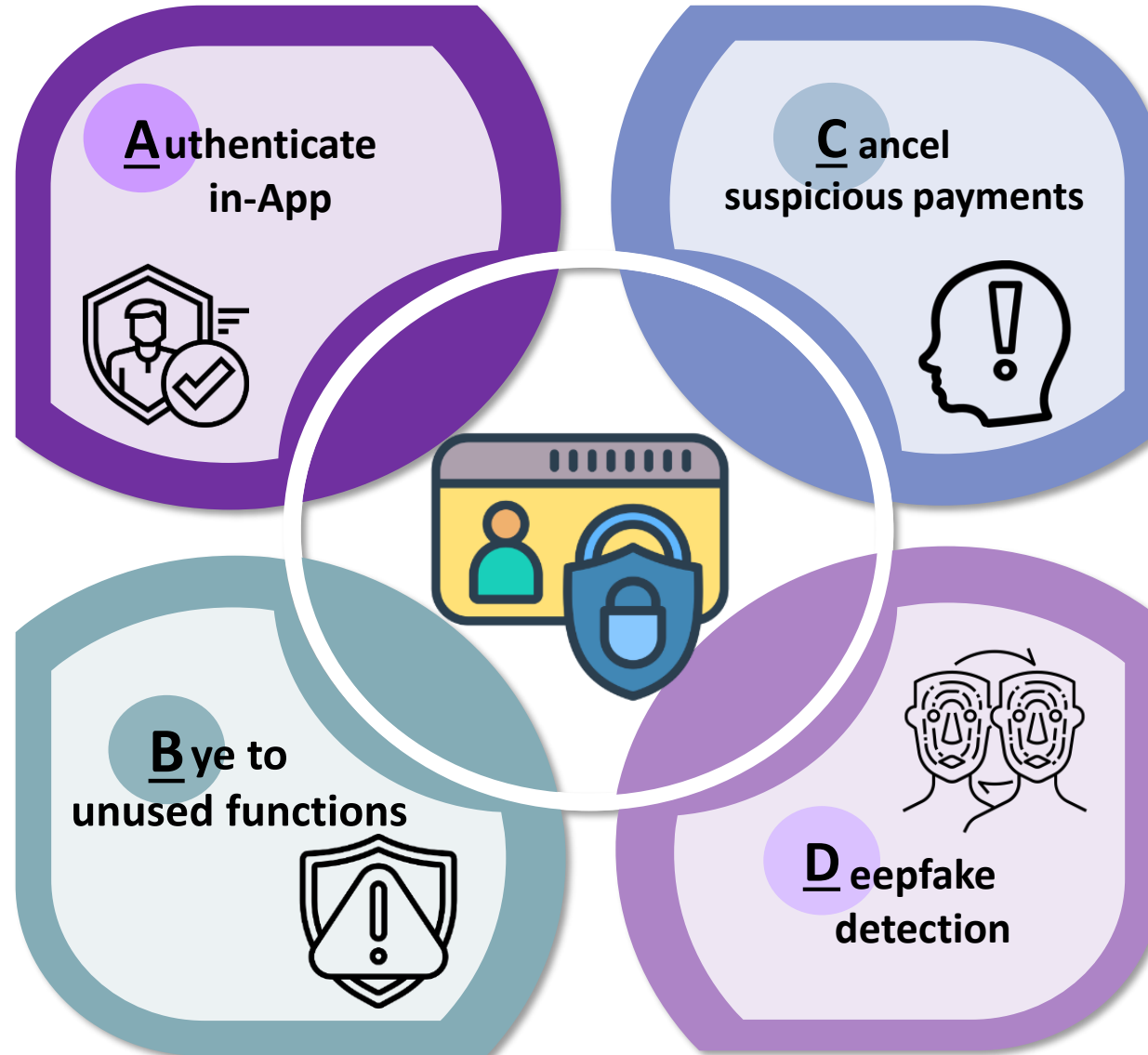


MITIGATION



EDUCATION

E-Banking Security ABCD



MONEY SAFE



- 14 banks implemented interim measures by end June 2025
- Full implementation: 12 banks by October, all retail banks by end 2025
- Active promotion and incentive offers to encourage adoption upon full implementation

ANTI-SCAM CONSUMER PROTECTION CHARTER 3.0



- Establish collaborative platform between financial regulators, tech firms and telecommunications firms (telcos)
- Focus on six key principles on reporting and taking down suspected fraud and scams
- Collaborate with telcos and tech firms on public education

Anti-Fraud-and-Scam and Anti-Money Laundering



PREVENTION



DETECTION



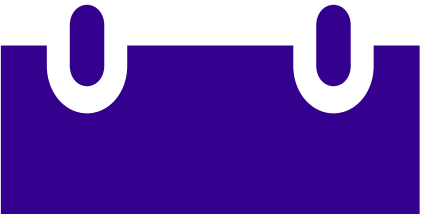
MITIGATION

Bank level

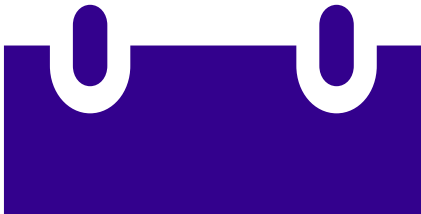
Bank to bank



Dynamic monitoring system and customer alerts for authorised payment scam



Sharing of good practices to protect customers and detect mule account networks



Expanded use of Scameter data for early detection of suspicious accounts



Amendment of Banking Ordinance to facilitate information sharing among banks

Anti-Fraud-and-Scam Measures



MITIGATION



EDUCATION

Approach for handling customer claims for losses arising from authorised payment scams (APS)



Customers have important role



Als support customers



Individual circumstances



Risk-Based



Prevent moral hazard or
perverse incentive

Customer Education



Don't lend/sell your account



E-Banking Security ABCD



Three Anti-Scam Tactics



Click the links, fall for scams!

02

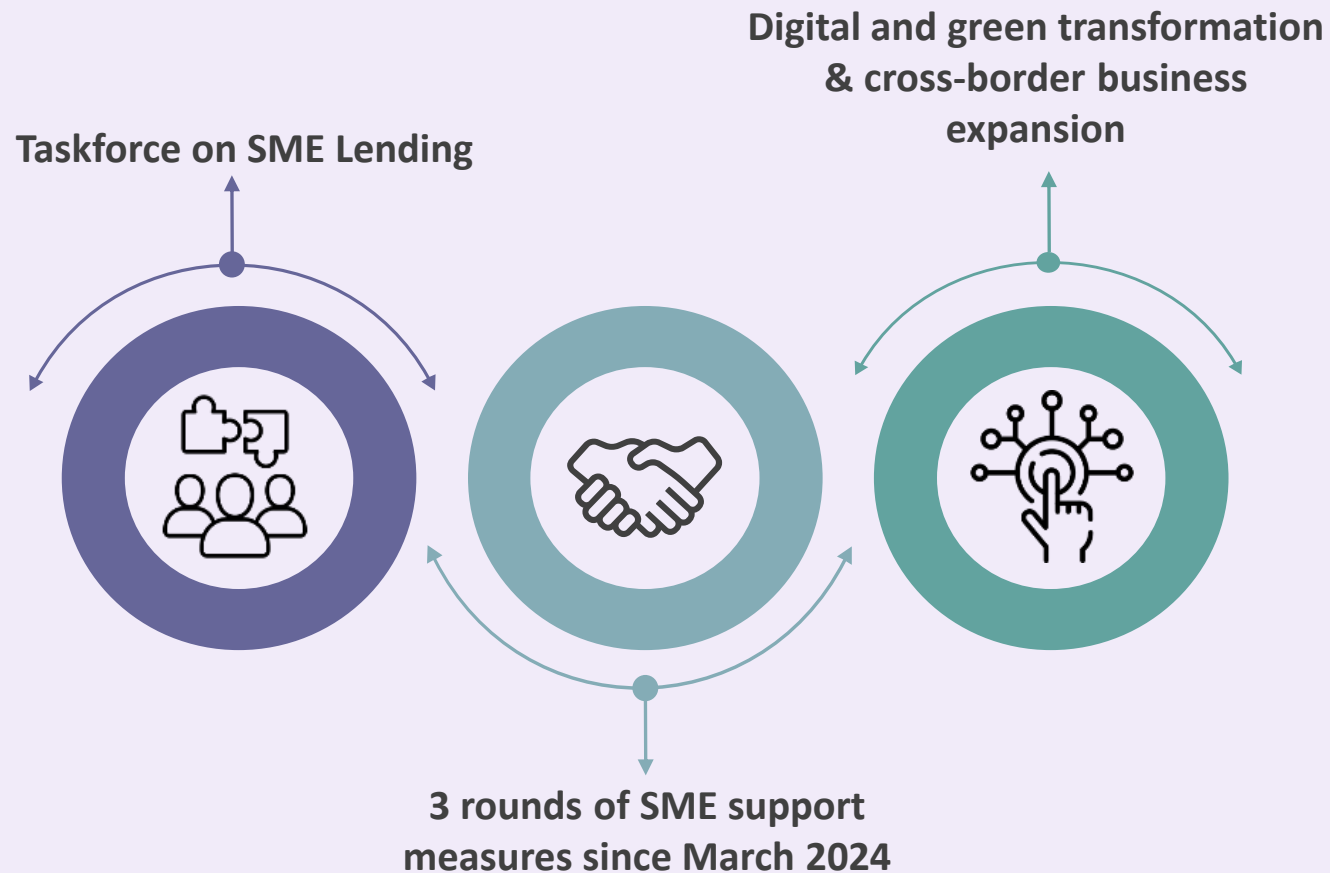
Supporting Real Economy



Supporting Real Economy



Assist SMEs in accessing bank financing and in their upgrade and transformation




> 63,000

SME cases benefitted


HK\$155 bn

SME cases benefitted


HK\$400 bn

Dedicated fund for SMEs


>200

Engagement events

Leverage Data and Technology



Commercial Data Interchange

- ▶ Next-gen data infrastructure
- ▶ Consent-based
- ▶ 17 data providers, 26 banks with major SME business as data consumers
- ▶ Linked with Shenzhen-Hong Kong cross-boundary data validation platform



Open Government Data

- ▶ Companies Registry (live)
- ▶ Land Registry: land search and e-alert (live)
- ▶ CEDB's Trade Single Window Phase 3 (2026)
- ▶ DPO's Digital Corporate Identity Platform (from end-2026)

03

Future Fintech Adoption Outlook



Fintech Adoption in Banks



Fintech Adoption Progress



95%

Adoption of Fintech



75%

Adoption of A.I.

To enhance capability to **monitor suspicious activities**

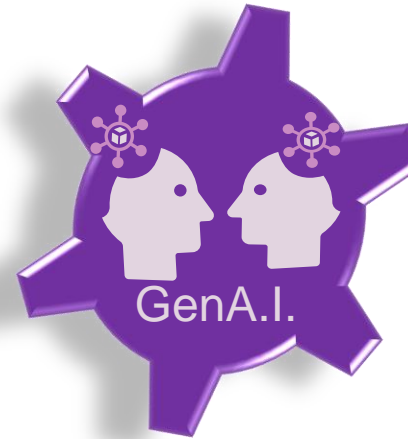


45%

Adoption of DLT

To enable **smart transactions** with tokenised deposits

Support Responsible Innovation



GenA.I. Sandbox

Focus Areas



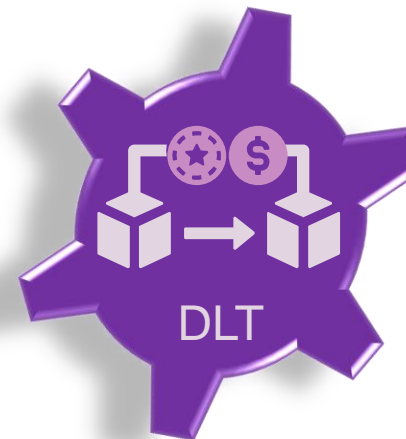
Customer Experience



Risk Management



Anti-fraud



Supervisory Incubator for DLT

Focus Areas



Tokenised Deposits



Risk Mitigation

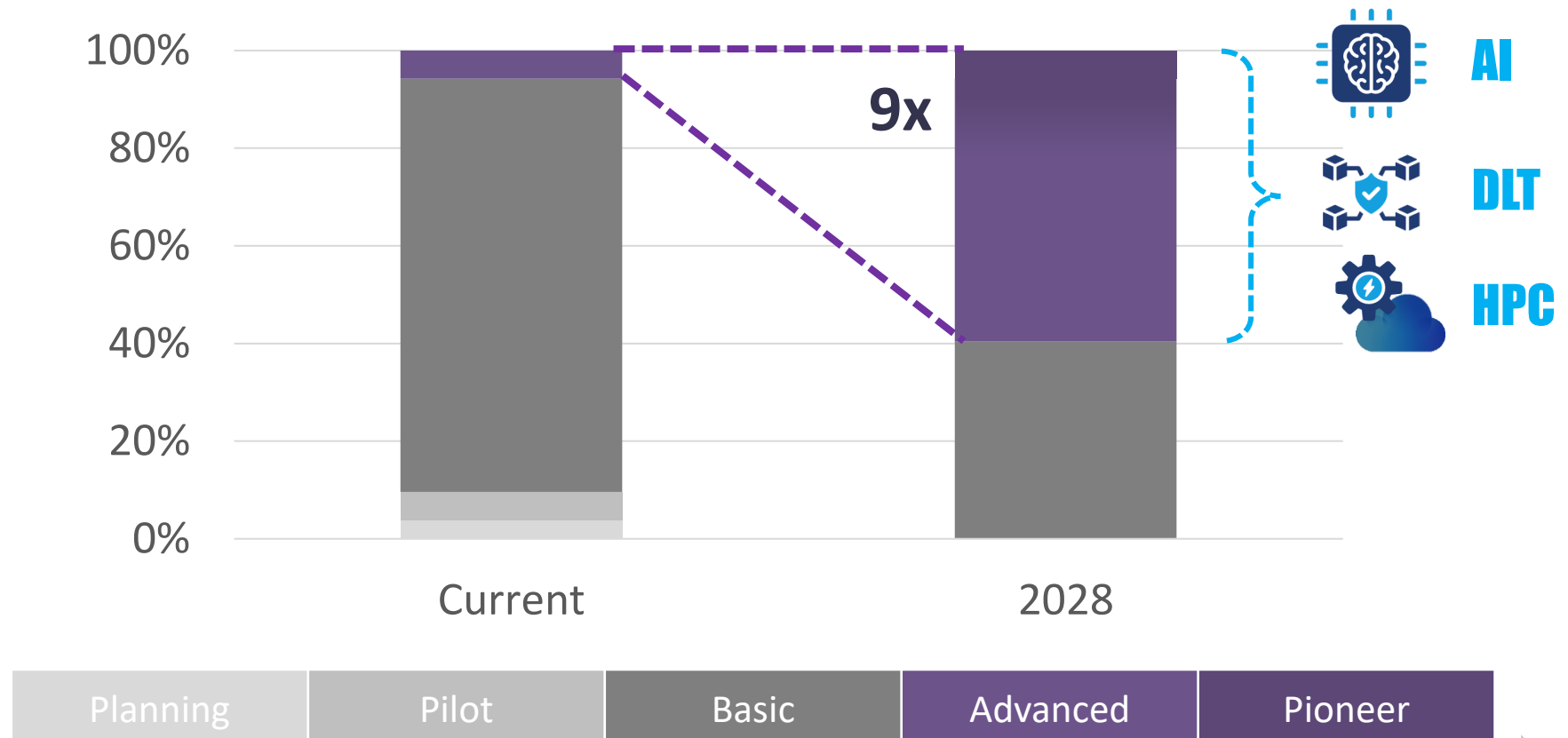


Industry Awareness

Future Fintech Maturity Growth



2025-2028
Maturity

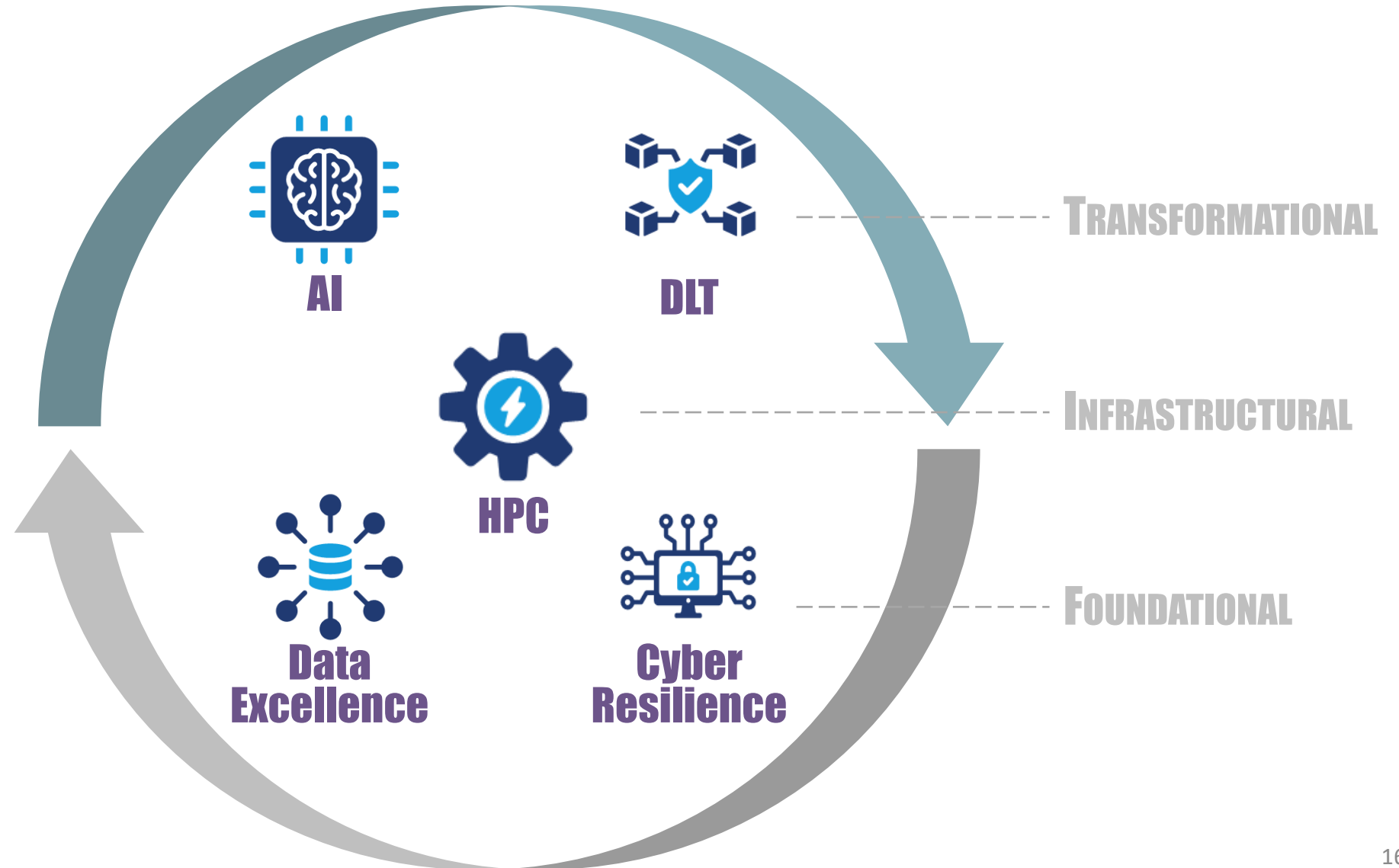


IDEAL BUSINESS MODELS?

Fintech Adoption Challenges



Outlook for Fintech Adoption

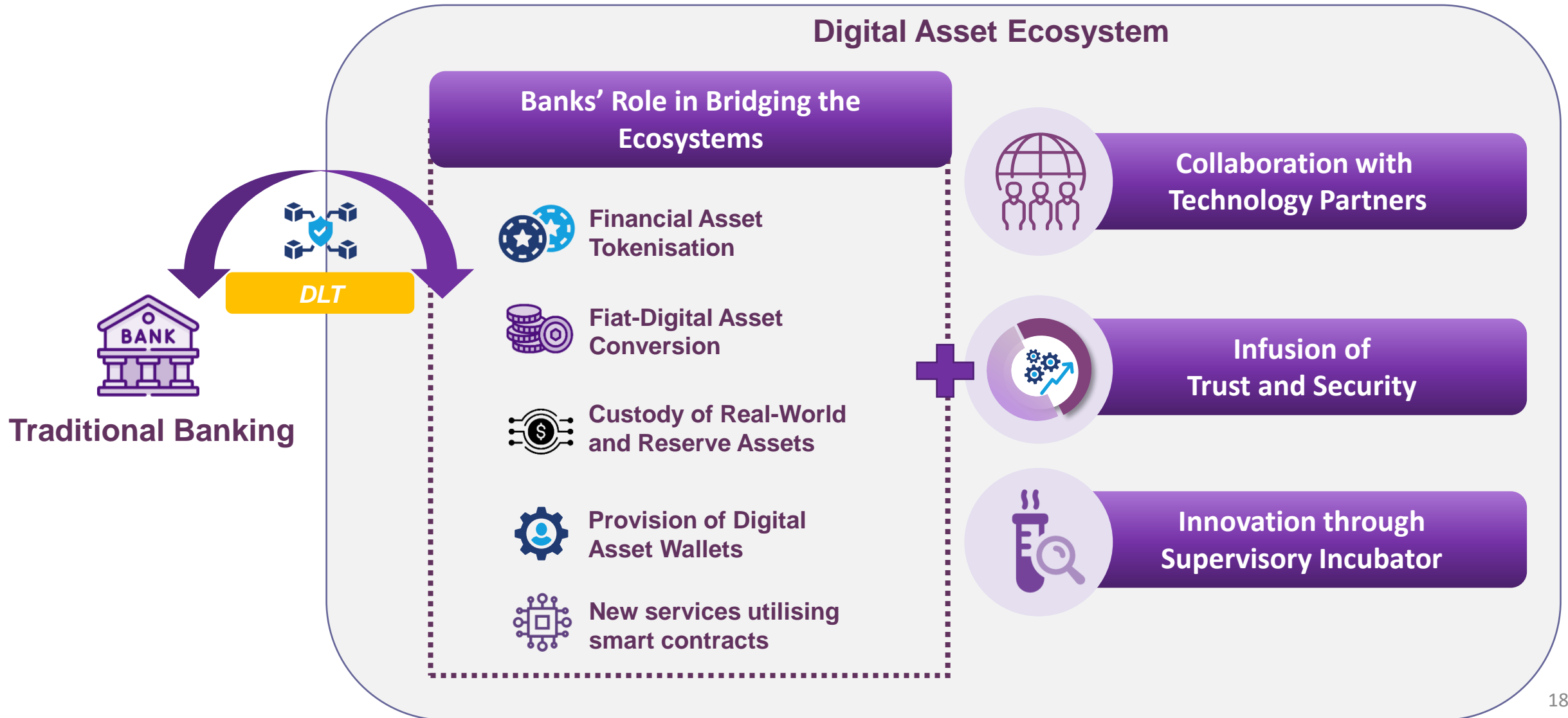


04

Facilitating Development of Tokenisation



Business Model Redefined



HKMA's Expectation of Provision of Staking Services for Digital Assets from Custodial Services

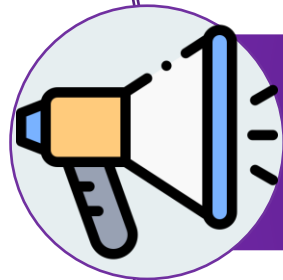


Staking Services

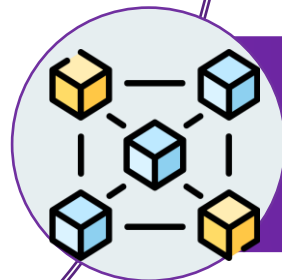
Committing/locking client digital assets for a validator to participate in a blockchain protocol's validation process based on proof-of-stake consensus mechanism, to generate returns



Internal Controls



Disclosure



Blockchain protocol &
3rd party service providers

