

Press Release
For Immediate Release

Cyberport sees RegTech's potential to become a rising industry star during Hong Kong FinTech Week

Hong Kong, 4 November 2020 – As a FinTech partner at this year's Hong Kong FinTech Week, Cyberport invited scholars, outstanding financial industry leaders and its community start-ups to discuss RegTech's development potential and Hong Kong's advantages in RegTech in today's "FinTech Studio" session.

Eric Chan, Cyberport's Chief Public Mission Officer, said, "After weathering several financial crises, regulatory authorities worldwide have tightened regulations in order to ensure the stability of financial markets, protect market participants, and support the growth of the real economy. Yet these measures have significantly increased the cost of compliance, battering financial institutions' profitability and putting pressure on operations. RegTech is seizing this opportunity, and it is estimated that the global RegTech industry will be worth USD 12.3 billion by 2023. As Hong Kong's FinTech hub, Cyberport houses a number of start-ups that provide RegTech solutions. These companies can help financial institutions meet regulatory requirements while reducing costs and increasing efficiency."

RegTech prevents irregularities and avoids heavy penalties

During the session, Cyberport's RegTech start-ups – including Earth Channel, Gekko AI, iFinGate and TESS Asia – noted that the current global financial industry's annual spend on compliance tops USD780 billion, and it is expected that RegTech can seize 10% of this market share within just three years. RegTech solutions employ technologies like artificial intelligence, machine learning, data analytics and blockchain to facilitate financial institutions' handling of compliance requirements, such as Know Your Customer (KYC), anti-money laundering and transaction monitoring. In addition to reducing human error, improving efficiency and meeting regulatory requirements at a lower cost, RegTech's significance lies in its early detection of suspicious transactions in order to avoid heavy penalties. The participating start-ups believe that RegTech will be applied by banks and other financial institutions, and that its huge market potential will attract more investors.

In addition, representatives from the RegTech Association of Hong Kong and the FinTech Association of Hong Kong, as well as Professor Douglas Arner from the University of Hong Kong Department of Law, also shared their views on Hong Kong's advantages in developing RegTech. They all believe that, as an international financial centre, Hong Kong features a vibrant financial market and a comprehensive legal and regulatory system. The financial and technology talent pool, together with informational and financial connectivity, provides a sound foundation for Hong Kong to develop into a regional RegTech centre.

Cyberport spares no effort in promoting RegTech development in Hong Kong, and has recently launched its “Blockchain and RegTech Speaker Series”. The series aims to explain how the application of artificial intelligence and blockchain technology to compliance procedures can reduce the relevant costs and accelerate the financial industry's digital transformation.

Cyberport fosters the application of InsurTech and supports talent development

Cyberport also hosted two other sessions on Hong Kong FinTech Week's first day (2 November), where it shared the latest status of the “FinTech Anti-epidemic Scheme for Talent Development” (FAST) launched in July of this year, and explored the challenges and opportunities of InsurTech in Hong Kong respectively.

Cyberport has received over 600 FAST applications, of which 450 have been pre-approved. These companies are undergoing or have completed recruitment procedures. Among them, more than 120 enterprises already had new employees on board and received subsidies.

Hong Kong FinTech Week is held from 2 to 6 November. In addition to hosting break-out sessions, Cyberport led 18 start-ups to participate in its virtual pavilion, showcasing their innovative solutions in order to seek business opportunities.

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High-resolution photos can be downloaded via this [link](#).



Eric Chan, Cyberport's Chief Public Mission Officer, believes that RegTech development has become more vibrant in recent years, and that Hong Kong is well positioned to become a market leader in the field and to capitalise on future market opportunities.

Start-ups participating in Cyberport's virtual pavilion

Cyberport community start-ups

1. Alphabrain HK Limited	10. Mojodomo Hong Kong Limited
2. BXB Entertainment (HK) Limited	11. NFC Touch Limited
3. Earth Channel Limited	12. OpenCBS
4. ESG Matters Limited	13. Osome
5. Farseer Limited	14. Quantifeed
6. i2i Logic	15. RISKflo Asia Limited
7. Ipseity Network	16. Robotic Online Intelligence Ltd
8. iPYGG Fintech Group Limited	17. RPA (HK), Ltd.
9. Kristal.AI	18. Wizpresso

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About Cyberport

Cyberport is an innovative digital community with close to 1,600 start-ups and technology companies. It is managed by Hong Kong Cyberport Management Company Limited, which is wholly owned by the Hong Kong SAR Government. With a vision to be the hub for digital technology thereby creating a new economic driver for Hong Kong, Cyberport is committed to nurturing a vibrant tech ecosystem by cultivating talent, promoting entrepreneurship among youth, supporting start-ups on their growth journey, fostering industry development by promoting strategic collaboration with local and international partners, and integrating new and traditional economies by accelerating digital transformation in the public and private sectors.

For more information, please visit www.cyberport.hk