

07.09.2016

I support the SFC proposal. There is definitely a conflict of interest in the current HKEx role being the gatekeeper. Even if HKEx is being impartial and do the right thing despite the inherent structural conflict, I still believe that in lack of a better word to say this "君子 (being HKEx) 不立危牆下". Incentive is powerful, all too powerful and that wrong incentive should be removed from the system. A quick look at international best practice tells us that the proposal is in the right direction. Being the most mature international financial centres, the SEC in the US, and the FCA in the UK obviously are more advanced on that front. Even our close neighbour Singapore is moving in that direction with the regulatory element of the SGX being transferred out. HK, to recoup our status of being the third largest financial centre outside NY/London, is desperately in need to reform and improve our corporate governance standards.

Chau Yuen Chan