

## **20120116 HM Treasury: Chancellor announces further steps to promote the development of the RMB market in London**

### **Source: HM Treasury**

The Rt Hon. George Osborne, Chancellor of the Exchequer, and Norman Chan, Chief Executive of the Hong Kong Monetary Authority (HKMA), today met to announce the next steps in promoting closer collaboration between London and Hong Kong as part of the increasing global use of the Chinese currency, the Renminbi (RMB). They announced the launch of a joint private-sector forum, to be facilitated by HM Treasury and the HKMA, that will enhance cooperation between the UK and Hong Kong to support the Chinese Government's policy in the development of the offshore RMB market. The forum will focus on exploring synergies between the UK and Hong Kong, specifically looking at clearing and settlement systems, market liquidity and the development of new RMB denominated products.

As part of the agreement, the Chancellor welcomed a recent announcement by the HKMA that it will significantly extend the operating hours of its RMB payments systems to better accommodate European transactions, making it easier for RMB transactions in London to be settled.

Today's agreement follows last summer's landmark accord in which the UK and Chinese Governments for the first time welcomed the development of the offshore RMB market in London. The Government's aim is for London to complement Hong Kong in becoming a major offshore RMB centre.

### **Speaking on his trip to the Far East, Mr Osborne said:**

"London and Hong Kong are uniquely placed to assist in the development of this exciting market and, further to last summer's agreement, I am delighted that the financial services industries in both financial centres are working together to achieve this goal."

### **NovaRes Team**