

RGC Ref. No.: <u>UGC/IIDS14/B02/17</u> (please insert ref. above)

**RESEARCH GRANTS COUNCIL
COMPETITIVE RESEARCH FUNDING SCHEMES FOR
THE LOCAL SELF-FINANCING DEGREE SECTOR**

INTER-INSTITUTIONAL DEVELOPMENT SCHEME (IIDS)

Completion Report
(for completed projects only)

<p><u>Submission Deadlines:</u></p> <ol style="list-style-type: none"> <i>The unspent balance, if applicable, and auditor's report: within six months of the approved project completion date.</i> <i>Completion report: within 12 months of the approved project completion date.</i>

Part A: The Project and Investigator(s)

1. Project Title

Fintech: Disruptive Innovation in Financial Services

2. Investigator(s) And Academic Department(s) / Unit(s) Involved

Research Team	Name / Post	Unit / Department / Institution
Principal Investigator	Dr. Andy, Wui Wing CHENG/Associate Professor	Economics and Finance/ The Hang Seng University of Hong Kong
Co-Principal Investigator(s)	N/A	N/A
Co-Investigator(s)	Dr. David, Kam Hung CHUI/ Associate Professor (Practice) Dr. James, Tsun Se CHEONG/ Assistant Professor	Economics and Finance/ The Hang Seng University of Hong Kong Economics and Finance/ The Hang Seng University of Hong Kong
Others	N/A	N/A

3. Project Duration

	Original	Revised	Date of RGC / Institution Approval <i>(must be quoted)</i>
Project Start Date	01 Jan 2018	N/A	

Project Completion Date	31 Dec 2018	N/A	
Duration (<i>in month</i>)	12	N/A	
Deadline for Submission of Completion Report	31 Dec 2019	N/A	

Part B: The Final Report**5. Collaboration With Other Self-Financing Degree-Awarding Institutions**

Collaborating Self-Financing Institution	% of Participation	Distinctive Element(s) that the Institution is Responsible for the Project
N/A	N/A	N/A

6. Project Objectives**6.1 Objectives as per original application**

- 1. To host a platform for academics, pioneers, Fintech experts and regulators to catalyze the discussion on how Hong Kong should position itself as the Asia leading Fintech hub.*
- 2. To discuss the radical new business model for money payments and digital value exchange under the Blockchain-based proof of concepts.*
- 3. To sustain Fintech development in Hong Kong by early engaging the millennial through the desire to fill in the existing gap in Fintech knowledge in the university curricula so that students can embrace the coming financial resolution.*
- 4. To explore the dynamic and relationship between innovation and regulation and how regulators plan to respond in this disruptive technology in the Fintech space.*

6.2 Revised objectives

Date of approval from the RGC: N/A

Reasons for the change: N/A

6.3 Realisation of the objectives

(Maximum 1 page; please state how and to what extent the project objectives have been achieved; give reasons for under-achievements and outline attempts to overcome problems, if any)

By applying a multi-stakeholder approach to cultivate a culture of innovation in the academic community, this Fintech Symposium provided a platform for participants to conduct engrossed study and thorough scholarly idea exchange on Fintech related area. All stated objectives are well achieved. This was reflected by the firm support from our renowned speakers with diversify coverage on Fintech, the number of supporting professional organizations involved, the high participation rate from various disciplines of the industry and the praise, approbation from participants after the event.

Summary of objectives addressed to date

Objectives	Addressed <i>(please tick)</i>	Percentage Achieved <i>(please estimate)</i>
1. <i>To host a platform for academics, pioneers, Fintech experts and regulators to catalyze the discussion on how Hong Kong should position itself as the Asia leading Fintech hub.</i>	✓	100%
2. <i>To discuss the radical new business model for money payments and digital value exchange under the Blockchain-based proof of concepts.</i>	✓	100%
3. <i>To sustain Fintech development in Hong Kong by early engaging the millennial through the desire to fill in the existing gap in Fintech knowledge in the university curricula so that students can embrace the coming financial resolution.</i>	✓	100%
4. <i>To explore the dynamic and relationship between innovation and regulation and how regulators plan to respond in this disruptive technology in the Fintech space.</i>	✓	100%

6.4 Project progress

Original Implementation Schedule	Revised Implementation Schedule (Date of RGC's Approval)	Updated Progress
August 2018	N/A	Project Completed

6.5 Speaker(s)

Title / Name (Surname in Capital Letters)	Post / Institution	Title / Topic of Presentation / Course	Previous Research Links with Hong Kong Institutions (Nature and Date (Month / Year))
Dr. George LAM	Chairman/Hong Kong Cyberport Management Company Limited	Positing Hong Kong as the Fintech Capital of Asia and the International Data Hub of the Digital Silk Road: Cyberport's Cross-border Ecosystem Strategy and its Implementation	<ul style="list-style-type: none"> - Member of the Court of City University of Hong Kong - Honorary Fellow of the University of Hong Kong School of Professional and Continuing Education
Mr. Nelson CHOW	Chief Fintech Officer/Hong Kong Monetary Authority	Fintech: Shifting the Financial Landscape	N/A
Dr. Frank TONG	Head of Innovation Labs and Strategic Investments/The Hong Kong Shanghai Banking Corporation Limited	An Ecosystem for Sustainable Fintech Development	Adjunct Professor, The Chinese University of Hong Kong
Prof. Roman MATOUSEK	Chair of Finance/University of Nottingham, United Kingdom	Fintech and Financial Services: Challenges and Opportunities for Europe	N/A
Mr. Larry CAO	Director, Content, Asia Pacific/CFA Institute Hong Kong Office	The Career Impact of AI on Investment Management Professionals	CFA Institute, Hong Kong
Mr. Paul FUNG	Vice Chairman, Fintech Committee/Smart City Consortium	The Ecosystems needed to give rise to Blockchain: Application and Cryptocurrency that is changing the world	N/A
Mr. Samson LEE	Founding Chairman/Belt and Road TechFin Association	Token Financing: The New Way of Project Financing and Fund Raising	N/A
Ir Spencer LI	Charter President/Innovation and Technology Association	The New Era of Smart Banking	N/A

6.6 Please provide details of the activities organized, including the theme / objectives of the activities, targeted participants, attendance, analysis of participants, e.g. country of origin, research background, etc., evaluation forms of the activities and a summary of the participants' evaluation. Photos of the activities are preferred.)

- The Fintech Symposium involved extensive outreach and dialogue with the financial services and innovation communities, financial technology startups, academia and regulatory authorities. The Symposium aligned with the direction to develop Hong Kong as the major Fintech hub. The ideas exchange among various international and local institutions can provide inspiration and insight for both further research activities and collaboration.
- Over 300 responses were received from various professionals, such as banking and finance, accounting, investment, regulatory compliance, Fintech entrepreneurs/startups, which ranged different levels including middle to senior management, and scholars from different education institutions were also invited.
- Please refer to the attached for a summary of the participants' (Appendix 1) evaluation, including the evaluation form and career field distribution of participants.
- Some photos (Appendix 2) are also attached for reference.

7. Research-Related Outcome

7.1 Potential for development into research proposal and the proposed course of action
(Maximum half a page)

Served as continuity of the Symposium, a 'Call for Paper' on Fintech related research was conducted. A 'Special Issue on Fintech' with five (5) articles was issued in December 2018 under the 'Hang Seng University of Hong Kong Business Review, which is a peer-reviewed publication to stimulate discussions among academia, researchers, business professionals and other influential thought leaders about advances in business practice. Please refer to the attached Appendix 3.

7.2 Research collaboration achieved
(Please give details on the achievement and its relevant impact)

Collaborations were achieved with Prof. Roman Matousek, Chair of Finance from University of Nottingham UK, who would assist in vetting the Fintech module for HSUHK's proposed Master Programme. This is a critical move to nurture talents for a sustainable development and help ensuring Hong Kong's competitiveness as a Fintech hub.

7.3 Any new development and/or challenging research topic(s) has / have been identified and any new initiative(s) for future research has / have been inspired.

Various potential research initiatives are identified such as the co-integration price movement of Bitcoin with other asset classes and the pricing behavior of cryptocurrencies. Further research collaboratives would be made, if appropriate.

8. The Layman's Summary

(Describe in layman's language the nature, significance and value of the research activities, in no more than 200 words)

This Inter-Institutional Development Scheme (IIDS) on Fintech brought together academics, creative entrepreneurs, visionary industrial experts and forward-looking policymakers to discuss and exchange intellectual ideas regarding the challenges and opportunities for financial institutions in Hong Kong to transform their operations through technology. It hosted a platform for academics, pioneers, Fintech experts and regulators to catalyze the discussion on how Hong Kong should position itself as the Asia leading Fintech hub. The Symposium also provided inspiration and insight for both further research activities and collaboration between the academia and the industry.

Part C: Research Output**9. Recognized Conference(s) Paper(s) Related To This Project Was / Were Delivered (As Applicable)**

(Please attach a copy of each conference abstract)

Month / Year / Place	Title	Conference Name	Submitted to RGC <i>(indicate the year ending of the relevant progress report)</i>	Attached to this Report <i>(Yes or No)</i>	Acknowledged the Support of RGC <i>(Yes or No)</i>
Jun/2019 /Prague	Pairs Trading with Crypto: Evidence from Bitcoin	International Academic Conference – University of Economics, Prague	N/A	Yes (Appendix 4)	N/A

10. Research Personnel Trained (As Applicable)

Name	Capacity
N/A	N/A

11. Other Impact (As Applicable)

(e.g. prizes, collaboration with other research institutions, technology transfer, etc.)

N/A

12. Public Access Of Completion Report

(Please specify the information, if any, that cannot be provided for public access and give the reasons.)

Information that Cannot Be Provided for Public Access	Reasons
N/A	N/A

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INTER-INSTITUTIONAL DEVELOPMENT SCHEME (IIDS)

Completion Report - Attachment

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RGC Ref. No.: UGC/IIDS14/B02/17

Principal Investigator: Dr. Andy Wui Wing, CHENG

Project Title: Fintech: Disruptive Innovation in Financial Services

Statistics on Research Outputs

	Peer-reviewed Journal Publications	Conference Papers	Scholarly Books, Monographs and Chapters	Patents Awarded	Other Research Outputs (Please specify)
No. of outputs arising directly from this research project [or conference]	N/A	1	N/A	N/A	1 special issue on Fintech