IMF Peer-Learning Webinar Series on Digital Technologies and Digital Money in Asia and the Pacific
Central Bank Digital Currency and the Case of China

Presentation by
Hong Kong Monetary Authority

7 July 2022
Substantial people and money mobility between HK and Mainland

People movement and tourism spending across HK and Mainland pre-COVID

<table>
<thead>
<tr>
<th>HKD billions</th>
<th>Millions</th>
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<tbody>
<tr>
<td>2013</td>
<td>150</td>
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<tr>
<td>2014</td>
<td>140</td>
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<tr>
<td>2015</td>
<td>130</td>
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<tr>
<td>2016</td>
<td>120</td>
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<tr>
<td>2017</td>
<td>110</td>
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<tr>
<td>2018</td>
<td>100</td>
</tr>
</tbody>
</table>

- Number of arrivals (Visitors from Mainland to HK in millions)
- Number of departures (HK residents to Mainland in millions)*
- Consumption expenditure of Mainland tourists in HK (in HKD billions)

* Excluding the number of HK residents’ departures to Mainland via HK airport

Sources: Hong Kong in Figures by Census and Statistics Department
Test use of e-CNY in HK is progressing well

- Technical testing of e-CNY in HK

I. Phase 1
   - Completed in December 2020
   - Using e-CNY for making cross-boundary payments in HK

II. Phase 2 (in discussion)
   - Involve more banks in HK
   - Using Faster Payment System to top up e-CNY wallets
HKMA is progressing on 2 tracks of CBDC study

- **Domestic CBDC Route**
  - Project LionRock
  - Project e-HKD
  - e-HKD Technical Whitepaper
  - e-HKD Policy Discussion Paper
  - Project Sela
  - Aurum prototype
  - Initial Policy Stance

- **Cross-Border CBDC Route**
  - Project Inthanon-LionRock 1
  - Project Inthanon-LionRock 2
  - Project mBridge
  - mBridge Pilot
  - Later in 2022

**Timeline**
- 2017: Project LionRock
- Mid 2021: Project e-HKD
- Oct 2021: e-HKD Technical Whitepaper
- Apr 2022: e-HKD Policy Discussion Paper
- Jun 2022: Project Sela
- Later in 2022: Aurum prototype
- H2 2019: Project Inthanon-LionRock 1
- 2020: Project Inthanon-LionRock 2
- Feb 2021: Project mBridge
- 2022: mBridge Pilot
mBridge enables flexible interoperability with local payment rails
Thank you