

Parallel Session on Revitalizing Real Economy with Financial Resources

【Basic Information】

Moderators:

Welcome Remarks and Keynote Speeches Sections:

Qin Yi Host of Shanghai Dragon Television

Panel Discussion Section:

Yang He Deputy Director (in charge), ICBC Modern Financial Research Institute

Welcome Remarks:

Chen Siging Chairman, ICBC

Keynote Speeches:

Xie Dong Vice Mayor of Shanghai

Paul Chan Mo-po Financial Secretary of the Government of the Hong Kong Special
Administrative Region, China

Laureano Ortega Murillo Presidential Advisor for the Promotion of Investment, Trade and
International Cooperation, the Republic of Nicaragua

Du Yankun	Chief Strategy Officer of Agricultural Development Bank of China (ADBC)
-----------	---

Deliverables Launch:

Zhang Weiwu Senior Executive Vice President, ICBC

Panel Discussion:

Jerry Zhang	Executive Vice Chairman and Chief Executive Officer, China & Cluster, Standard Chartered Bank
Eugene Qian	China Country Head and President of UBS AG, Chairman of UBS Securities Co., Ltd.
Ding Chen	CEO, CSOP Asset Management Limited
Jin Sheng	General Manager, China Shipbuilding Finance Co., Ltd.
Luo Jinhui	CFO, Envision Group
Tang Hong	CFO, Vale China
Zhang Wei	Vice Chair, National Institute of Financial Research, Tsinghua University

【Brief Introduction】

On the afternoon of November 5, 2023, the Parallel Session on Revitalizing Real Economy with Financial Resources of the 6th Hongqiao International Economic Forum (HQF), was hosted by the Ministry of Commerce of China at the National Exhibition and Convention Center (Shanghai). Xie Dong, Vice Mayor of Shanghai, Paul Chan Mo-po, Financial Secretary of the Government of the Hong Kong Special Administrative Region, China, Chen Siqing, Chairman of ICBC, Laureano Ortega Murillo, Presidential Advisor for the Promotion of Investment, Trade and International Cooperation, the Republic of Nicaragua, and Du Yankun, Chief Strategy Officer of ADBC, attended the event and delivered speeches. The parallel session also featured guests from Standard Chartered China, UBS Group AG, CSOP Asset Management Limited, China Shipbuilding Finance Co., Ltd., Vale China, Envision Group, and National Institute of Financial Research at Tsinghua University for the panel discussion section. At the event, ICBC announced a series of significant deliverables with the focus on serving the core responsibilities and main business of real economy, and empowering the green and sustainable development in the Belt and Road countries. Multiple cooperation fruits were also yielded.



【Welcome Remarks】



Chen Siqing, Chairman of ICBC,
attended the Parallel Session on Revitalizing Real Economy with Financial Resources in Shanghai and made the welcome remarks

In his speech, Chen Siqing, Chairman of ICBC, expressed that the development of the real economy is presenting new features in areas such as technological innovation, digitization, green and low-carbon development, and industrial and supply chains. ICBC looks forward to collaborating with all parties to make innovations and develop more precisely tailored financial products, for better meeting the differentiated financing needs of different industries and enterprises, and activating global economic growth momentum. The bank will strengthen service coordination, provide diversified and relay-style financial services for various operating entities and innovative entities, and help form a virtuous cycle of technology, industry, and finance. It will promote open cooperation, actively build platforms for bilateral and multilateral economic and trade cooperation, leverage financial strength to maintain the stability of industrial and supply chains, and boost the vigorous development of global trade.

【Keynote Speeches】

Xie Dong, Vice Mayor of Shanghai,
attended the Parallel Session on Revitalizing Real Economy with Financial Resources in Shanghai and delivered a speech

Xie Dong, Vice Mayor of Shanghai, pointed out that finance is the lifeblood of the national economy, and it is necessary to adhere to the fundamental principle of letting finance serve the real economy. Shanghai is an international financial hub with concentrated financial elements. Various financial institutions in Shanghai continue to enhance the quality and efficiency of financial services for the real economy, accurately grasp the financial demands of technology-based enterprises, small and micro-enterprises, foreign trade enterprises, and other market entities, deepen data platform construction, and meet the financing needs of enterprises throughout their life cycles in multiple dimensions. In the next step, in accordance with the requirements of the Central Financial Work Conference, Shanghai will focus on self-reliance and self-improvement in high-level technology, precise irrigation in inclusive finance, the real economy, and green and low-carbon development, to accelerate the improvement of the quality and efficiency of financial services for the real economy.



Paul Chan Mo-po, Financial Secretary of the Government of the Hong Kong Special Administrative Region, China, attended the Parallel Session on Revitalizing Real Economy with Financial Resources in Shanghai and delivered a speech

Paul Chan Mo-po, Financial Secretary of the Government of the Hong Kong Special Administrative Region, China, noted that what the world needs more today is cooperation, and a more open and interconnected investment environment that allows large funds seeking investment opportunities to connect and support development projects without hindrance, serves the real economy, and brings tangible benefits and a happy life to people around the world. Hong Kong is the preferred gateway connecting the capital markets and investors of mainland China and the world, and it is also the preferred platform for serving China's high-level two-way opening. As an international financial center, Hong Kong will make greater efforts in the future to better serve the real economy with financial "vitality" and contribute to the country's high-quality development and global green transition.



Laureano Ortega Murillo, Presidential Advisor for the Promotion of Investment, Trade and International Cooperation, the Republic of Nicaragua, attended the Parallel Session on Revitalizing Real Economy with Financial Resources in Shanghai and delivered a speech

Laureano Ortega Murillo, Presidential Advisor for the Promotion of Investment, Trade and International Cooperation, the Republic of Nicaragua, stated that in August of this year, the governments of Nicaragua and China officially signed a free trade agreement, which will take effect in January 2024, signifying that Nicaragua sees China as its most significant international trade partner. Nicaragua is actively working to strengthen its production and logistics capabilities while developing multiple comprehensive projects, to fully leverage the vast Chinese market to promote bilateral trade and facilitates Chinese investments in Nicaragua. On the foundation of enhancing the friendly relations between the two countries, efforts are expected to promote more cooperation in the financial sector, including RMB credit business.



Du Yankun, Chief Strategy Officer of Agricultural Development Bank of China (ADBC), attended the Parallel Session on Revitalizing Real Economy with Financial Resources in Shanghai and delivered a speech

Du Yankun, Chief Strategy Officer of Agricultural Development Bank of China (ADBC), said that as China's only agricultural policy bank, ADBC has consistently adhered to the fundamental principle of serving the agriculture, rural areas, and rural residents. With matters of national significance in mind, it has conscientiously fulfilled its duties, and played a significant role as the mainstay and backbone in the rural financial system. Firstly, it adheres to its core responsibilities and main business, and endeavors to serve the new mission of building a strong agricultural country; secondly, it adheres to the innovation-driven development and actively explores new paths for rural construction; thirdly, it focuses on shortcomings and weaknesses, and aims to create a new sample of farmers' affluence. ADBC will strengthen exchanges and cooperation with its financial counterparts, guide the financial "vitality" to moisten the fertile soil in the countryside, and make due contributions to accelerating the construction of a strong agricultural country and a strong financial country.



Qin Yi, Host of Shanghai Dragon Television,
moderated the sections of Welcome Remarks and Keynote Speeches of the Parallel Session on Revitalizing Real Economy
with Financial Resources

【Deliverables Launch】



Zhang Weiwu, Senior Executive Vice President of ICBC,
attended the Parallel Session on Revitalizing Real Economy with Financial Resources
in Shanghai and presided over the deliverables launch activity

Zhang Weiwu, Senior Executive Vice President of ICBC, released the *BRI Green Finance (Investment) Index Report 2023*. The report compiled over a hundred key indexes from various global databases, covering 79 economies along the Belt and Road. It provides businesses and financial institutions with evaluation methods and quantitative tools to measure green development levels and explore green investment opportunities. Additionally, six agreements were ceremonially exchanged, including the *Reciprocal Funding Line Agreement Between ICBC and UOB* and the *Memorandum of Understanding Between ICBC Seoul Branch and Nexen Tire Corporation*.

[Panel Discussion]

Jerry Zhang, Executive Vice Chairman and Chief Executive Officer, China & Cluster, Standard Chartered Bank, attended the Parallel Session on Revitalizing Real Economy with Financial Resources in Shanghai and participated in the panel discussion

Jerry Zhang, Executive Vice Chairman and Chief Executive Officer, China & Cluster, Standard Chartered Bank, stated that Standard Chartered Bank has a very clear positioning. It hopes to serve as a connector, leveraging networks both in China and overseas to facilitate connections and provide services for the dual circulation of the domestic and international markets. In recent years, the continuous strengthening of institutional opening-up and high-quality development has provided excellent opportunities for financial participants. The Bank offers distinctive services, with an emphasis on “one-stop”, “comprehensive”, “full-lifecycle” services and support. The bank continuously innovates their products, aiming to help address challenges faced by small and medium-sized enterprises (SMEs), such as difficulties in financing, complex procedures, and cross-border complexities. Serving SMEs has always been one of its overall strategies. The bank is to issue Cross-Border Trade Sub-index under the Confidence Index of SMEs during the Expo, providing SMEs with a nuanced interpretation of trends in cross-border trade.



Eugene Qian, China Country Head and President of UBS Group AG and Chairman of UBS Securities Co., Ltd., attended the Parallel Session on Revitalizing Real Economy with Financial Resources in Shanghai and participated in the panel discussion

Eugene Qian, China Country Head and President of UBS Group AG and Chairman of UBS Securities Co., Ltd., said that globally, per capita wealth has increased approximately 2.5 times in the past two decades, however the median wealth has grown fivefold in the same period thanks to unprecedentedly rapid wealth growth in the Chinese market. UBS Group AG pursues a “3Ls” asset management strategy in the Chinese market, namely “Liquidity”, “Longevity” and “Legacy”, basing asset allocation and diversified, multi-faceted cross-cycle investment arrangements on strategic considerations such as liquidity, long-term investment and investment legacy.



Ding Chen, CEO of CSOP Asset Management Limited,
attended the Parallel Session on Revitalizing Real Economy with Financial Resources in Shanghai
and participated in the panel discussion

Ding Chen, CEO of CSOP Asset Management Limited, expressed that, CSOP is preparing to issue a product in Hong Kong denominated in RMB but with underlying assets invested in the capital markets of the Middle East. The issuance of ETF (Exchange-traded Fund) products investing in the Middle East or Saudi Arabia, holds significance in several aspects. First, it facilitates investment of RMB accumulated after trade between Saudi Arabia or other Middle Eastern countries and China in Hong Kong financial products. Second, in the context of RMB dual circulation 2.0 at home and abroad, such products are expected to enrich investment options for domestic investors through ETF connectivity. Simultaneously, this benefits the consolidation of Hong Kong's status as an international financial center, and further attracts more clients from both domestic and overseas markets.



Jin Sheng, General Manager of China Shipbuilding Finance Co., Ltd., attended the Parallel Session on Revitalizing Real Economy with Financial Resources in Shanghai and participated in the panel discussion

Jin Sheng, General Manager of China Shipbuilding Finance Co., Ltd., noted that the company adheres to its functional positioning to better support the group's core industrial businesses and the real economy. It strives to provide high-quality financial services, and in the current financial environment, continuously reducing the financing costs for enterprises is crucial in supporting the real economy. In practical terms, compared to banks, the company is more committed to passing on benefits to its member units. By fully utilizing both domestic and overseas markets and resources, and in response to the continuous interest rate hikes in the United States and the high financing costs for overseas enterprises, it has created swap wealth management products. Through domestic RMB lending and USD swaps in the Hong Kong market, it has significantly reduced the financing costs for overseas enterprises, and contributed to the internationalization of the RMB to some extent.



Luo Jinhui, CFO of Envision Group,
attended the Parallel Session on Revitalizing Real Economy with Financial Resources in Shanghai
and participated in the panel discussion

Luo Jinhui, CFO of Envision Group, expressed that the wind power or photovoltaic generation market is highly competitive. In such a market, companies engage in price competition, which drives them to adopt leaner management, better cost control, and faster technological innovation. Energy transition presents a historic opportunity, bringing profound technological upgrades and industrial transformations. One characteristic of the new energy industry is its fragmentation, and another is the large influx of financial investors, pension funds, insurance companies, and asset management companies. The green energy transition, represented by wind power and photovoltaic generation, is significantly different. Once wind power is established, operating costs and risks are very low, creating conditions for a large influx of financial capital into the industry.



Tang Hong, CFO of Vale China,
attended the Parallel Session on Revitalizing Real Economy with Financial Resources in Shanghai
and participated in the panel discussion

Tang Hong, CFO of Vale China, said that Vale focuses on emission reduction efforts, particularly in supporting the steel industry as its downstream customer to realize green transition across the entire industrial chain. Firstly, it provides high-quality iron ore products with high iron content and low impurity levels to achieve emission reduction goals. Secondly, it supports technological innovation for emission reduction. It has recently made donations to Central South University to establish a new laboratory dedicated to low-carbon and hydrogen metallurgy research, which will be open to all mining and steel industry peers and researchers upon completion. Thirdly, it implements measures during the iron ore transportation process to achieve emission reduction. Moreover, the company launched a venture capital fund last year, focusing on startups with cutting-edge technology in sustainable mining.



Zhang Wei, Vice Chair of National Institute of Financial Research of Tsinghua University, attended the Parallel Session on Revitalizing Real Economy with Financial Resources in Shanghai and participated in the panel discussion

Zhang Wei, Vice Chair of National Institute of Financial Research of Tsinghua University, stated that digital finance currently faces five challenges. 1) Gene. Banks need to conduct business with an Internet mindset. 2) Data. Some financial institutions still face the issue of data “islands” internally. 3) Technology. There is room for improvement in the internal technological capabilities of financial institutions. 4) Institutional risks. 5) The input-output issue that financial institutions need to balance in the process of digital transformation. The way to address these challenges consists of three aspects. First, there is a need for further optimization from the top-level design. Second, organizational adjustments need to be made in terms of the organizational structure. Third, the core systems need to be reconstructed.



Yang He, Deputy Director (in charge), ICBC Modern Financial Research Institute, attended the Parallel Session on Revitalizing Real Economy with Financial Resources in Shanghai and moderated the panel discussion