



**Welcome Remarks by
Mr C. M. Chan, President of The Law Society of Hong Kong,
at the 5th Belt and Road Conference of The Law Society of Hong Kong
“Metaverse and Money on the Belt and Road”**

10 November 2022

Welcome

Secretary for Justice,

Deputy Commissioner Fang Jianming,

Distinguished Guests, Ladies and Gentlemen,

Good morning, and welcome to The Law Society of Hong Kong's 5th Belt and Road Conference.

Metaverse and money on the Belt and Road

1. With the gradual easing of challenges posed by the pandemic, and in particular the further steps recently taken by Hong Kong to resume normality, the Belt and Road Initiative means more important than ever because, as you know, it promotes connectivity, convergence and collaboration. Despite the geopolitical tensions, soaring inflation and weakening global economy, this Belt and Road spirit will help keep us going as we work our way out.
2. Lawyers' role is indispensable in the drafting, enforcement and resolution of disputes in relation to trade or investment contracts along the Belt and Road. Taking China as an example, from 2013 to 2021, China signed new infrastructure contracts worth 1.08 trillion US dollars with countries along the Belt and Road. With our common law tradition, legal expertise, dispute resolution experience and international perspectives, Hong Kong lawyers can provide effective support for investors.
3. Thanks to the organising committee, the theme of today's conference “Metaverse and Money on the Belt and Road” is very well chosen, in my opinion, in that both metaverse and money play pivotal roles in trade and investment, financial integration, facilities connectivity, and cultural exchange, which are some of the major areas of Belt and Road opportunities.

Building a metaverse with Belt and Road characteristics

4. Over 5 billion people have gone online. The world is moving from Web 2.0 to 3.0 in which blockchain technologies and token-based economics allow ownership and transferability of data and asset under one's own control.
5. Metaverse is typically described as a universal, immersive convergence of our physical and digital lives, facilitated by the use of virtual reality and augmented reality, creating a unified virtual community where we can work, play, relax, transact and socialise.
6. The morning sessions of today's conference will bring together lawyers, entrepreneurs, policy advisors and diplomat to form two very distinguished panels. With their abundant experience and professional insights, they will address the question of how we protect the metaverse from the challenges. Through their discussion and exploration, we can share their vision of what kind of metaverse we wish to build and share along the Belt and Road, and possibly their idea of a metaverse with Belt and Road characteristics.

Money and law go hand in hand

7. Turning to a common denominator for all jurisdictions along the Belt and Road – money. Ages ago, gold and silver travelled along the Silk Road. Nowadays, along the Belt and Road, what we are trying to construct are robust, secure and swift monetary coordination and bilateral financial cooperation for the building of facilities and facilitation of cross-border investments.
8. The trade potential along the Belt and Road is enormous. The Belt and Road economies account for 62% of the world population, 31% of the world GDP and 33% of world trade. If we focus on trade volume between China and countries along the Belt and Road, from 2013 to 2021, it expanded 73% from 1.04 trillion US dollars to 1.8 trillion US dollars. In my view, for all the Belt and Road jurisdictions to overcome the current global economic challenges and enjoy a sustainable and successful share of the benefits, connectivity is essential.
9. As trade and investment, and facilities building are being promoted along the Belt and Road, people have naturally started discussing whether there should be a new “global currency” to reduce barriers to trade. To cite an example of such initiatives, earlier this year, a metaverse industry group in China signed a strategic partnership with a digital bank. Apart from fostering cooperation with Belt and Road participants, the two sides will jointly explore a new digital finance and trade ecosystem and interconnect China's economy with the global digital economy through blockchain.
10. Speaking of Hong Kong's unique financial role, I'd like to cite a quote from last week's Global Financial Leaders' Investment Summit held in Hong Kong. Mr Yi Gang (易綱), Governor of the People's Bank of China, told attendees that “Hong Kong has great potential in deepening connections with the mainland financial market, financing and investing under the Belt and Road Initiative, fintech and green finance... And Hong Kong

is already a high-quality capital market. So for China's economic growth, we need Hong Kong."

11. Just two months ago, Canada's Fraser Institute again ranked Hong Kong the world's freest economy. Our robust economy, supported by the legal profession, remains as strong as ever.
12. Hong Kong's legal sector actually goes hand in hand with the finance sector to facilitate cross-border trade and investments along the Belt and Road. With the issues relating to designating a new global currency, the role and use of cryptos and digital currencies, lawyers always play a crucial role in addressing payment issues, digital assets, negotiating and contracts, and resolving mishaps.
13. This afternoon, lawyers, financial leaders, think tank and government official will share with us their insights on how to address these monetary issues along the Belt and Road.

Unique role of Hong Kong legal sector for Belt and Road Initiative

14. If you take a world-map view, with its inherent strategic geographical location in the Asia-pacific region, Hong Kong is the main gateway to Mainland China and is well placed to connect with the rest of the world.
15. At the meeting celebrating the 25th anniversary of Hong Kong's return to the motherland on 1 July 2022, President Xi Jinping underscored the Central People's Government's full support of Hong Kong in maintaining the common law system, being one of its distinctive advantages. More importantly, he confirmed that the principle of "One Country, Two Systems" must be adhered to in the long run. This means that our legal system including the independent judiciary, as well as law and practice familiar to the international commercial community, shall and will continue, thereby dispelling any doubt about the future of Hong Kong.
16. This year marks the 25th Anniversary of the Establishment of the Hong Kong Special Administrative Region of the People's Republic of China. I am glad to share with you that this conference is accredited by the Hong Kong Government as one of its celebration events.
17. This year also marks the 115th Anniversary of The Law Society of Hong Kong. As President of The Law Society of Hong Kong, I am proud to say that we have now grown into a 13,000-member strong professional body. Hong Kong lawyers, with some of them also having qualified in other jurisdictions, including most recently the Greater Bay Area, are well trained to provide a wide range of legal services, acting as a one-stop shop for businesses interested in investing in the Greater Bay Area and along the Belt and Road. There are also almost 1,500 registered foreign lawyers from 34 jurisdictions, adding diversity to the range of legal services to cater for the needs of local and international clients.

Closing

18. Before I close, on behalf of The Law Society of Hong Kong, I must express my sincere gratitude to the Department of Justice of the Hong Kong Government for their assistance in our organisation of this conference as part of the Legal Week 2022.
19. Ladies and Gentlemen, the Belt and Road cannot be built in one day. But platforms for professional exchange of knowledge and experience, of which this conference is an example, can certainly lay bricks for and cement the building of this inclusive and visionary initiative.
20. Thank you.

