



**Speech by Ms Ada Chung, Registrar of Companies,
at the Signing Ceremony
for the sponsorship agreements
with the Faculty of Law of the University of Hong Kong
24 October 2018**

Michael, Gary, Say, ladies and gentlemen,

I am very honored to be here with you today at this Signing Ceremony.

As a leading international financial and business center, the Government attaches great importance to good corporate governance. There are now more than 1.4 million companies registered in Hong Kong, and we believe that for companies to be successful, competitive and sustainable in the long term, a high standard of governance is indispensable. The Government spares no efforts in making sure that our corporate governance regime is up to date and comparable to international best practices.

As you are aware, we have completely rewritten our company law, making it a piece of modern legislation. Indeed, one of the main objectives of the rewrite exercise is to enhance corporate governance. To this end, numerous measures have been introduced under the new law to foster shareholder protection, strengthen the accountability of directors and auditor's rights, clarify directors' duty of care, skill and diligence, enhance shareholders' engagement in the decision-making process and improve the disclosure of company information.

In this context, a key issue pertaining to good corporate governance is transparency. To enhance transparency of corporate beneficial ownership and in order to fulfill Hong Kong's international obligations, the Companies Ordinance has been amended early this year to require a company incorporated in Hong Kong to obtain and maintain up-to-date beneficial ownership information by way of keeping a Significant Controllers Register. Under the new requirement, which came into operation in March this year, the Register should be open for inspection by law enforcement officers upon demand.

As part of the international movement to improve the legal framework to enhance transparency, we have also introduced a licensing regime for trust and company service providers. Nowadays, anyone who wishes to provide trust or company service as a business is required to satisfy a "fit and proper" test and obtain a license from the Companies Registry before he or she may provide trust or company services.

Ladies and gentlemen, as you appreciate, the corporate governance regime is an evolving one. We consider that it is of vital importance to promote the study and



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research of corporate governance in Hong Kong, and I must express my personal thanks to Professor Say Goo for proposing, and helping to crystallize, the ideas of an AIIFL-Companies Registry Visiting Professorship in Corporate Governance and the Companies Registry Prize in Corporate Governance, which I understand will be awarded to the law student who produced the best paper in the course “Corporate Governance and Shareholder Remedies”.

Indeed, the Companies Registry is very honored to have the opportunity to collaborate with the Faculty of Law and the AIIFL to further the study and research in this area. I look forward to working closely with you in the coming years in the promotion of good corporate governance.

Thank you.