



# CHINA PROGRAMME

CITY OF LONDON CORPORATION

Celebrating over 10 years of  
presence in the China market

2022-2023

# United Kingdom: The world's leading international financial centre

## Access global capital markets

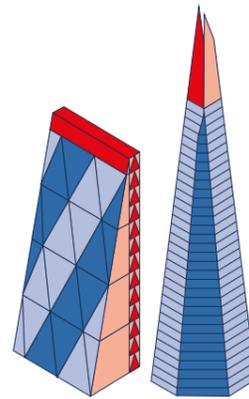
**542,000+**

workers in the City



**40%**

of City workers were born outside of the UK



The City has over

**40**

Chinese financial service institutions

**First global financial centre that pioneered both a regulatory sandbox and open banking**

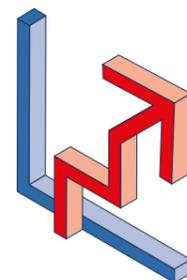
London Stock Exchange was home to the first ever certified green bond from China



**No. 1 offshore renminbi clearing centre outside Greater China**



**World's No.1 net exporter of financial services (£63.7bn of net financial services exports in 2020)**



World's No. 1 forex market responsible for

**43%**

of global forex trading

## Welcome to the City...

As the governing body of the Square Mile, we are dedicated to a vibrant and thriving City, supporting a diverse and sustainable London within a globally-successful UK. It is my goal to ensure that the City and our financial and professional services sector contribute to the prosperity of the UK. As a gateway to global capital, advice and clients, the UK has plenty to offer in providing financial and professional to the world.

Our international programme is crucial to achieving this – our access to unmatched and exceptional talent, skills and innovation from across the world and the UK regions help us to connect global and regional networks.

The City recognises our engagement with international markets including China across various sectors of trade, finance and innovation, help to promote the global connectivity of the UK market and grant access to international markets can bring immense value to the UK economy.

At the city, we have over 40 Chinese financial institutions which call the City their home. Our global future includes a growing link with international markets such as China to support businesses to join the UK's market and build their international presence. Together, we believe that we can overcome challenges brought by the pandemic and continue thrive in years ahead.

With our long-standing representative offices in China and high-standard engagement programme, we trust that our work will continue to bring meaningful impact for financial services community in the UK and in China.

At the City of London Corporation, we continue to work closely with our Chinese partners for the benefit of both countries, sharing our knowledge and expertise in financial and professional services, and engaging with our China Advisory Council who support our current work.

The UK's unique global outlook and diverse ecosystem delivers a competitive advantage for international financial and professional services firms, and the City of London is the prime location for international firms looking to reap the benefits.

We want to continue to build a vibrant and thriving Square Mile, within a diverse and sustainable London, as part of a globally successful UK. To achieve this, we work closely with various arms of business from SMEs to large corporates, regulators and charities, entrepreneurs and apprentices.

As the global ambassador for the City of London and our financial and professional services sector, it is my duty to deepen our relationships with our international partners. Much of my time as Lord Mayor is spent engaging with other financial centres around the world, sharing information about the UK's offer and the advantages of doing international business in the world's most global city.

The theme of my mayoralty is "People and Purpose – Investing in a Better Tomorrow" - putting our people and our purpose at the heart of financial and professional services to rebuild a more sustainable and inclusive economy.

As we look to that future, China continues to be an important international partner for the UK because of our synergies in areas like finance, innovation and sustainability. The City of London Corporation maintains an active and broad China programme focused on investment management, RMB internationalisation and green finance as well as ESG investing, recognising the importance of working together to tackle climate change and deliver sustainable growth. We believe the sharing of knowledge and experiences with partners in China will benefit the financial services community in both countries.

As global markets join hands to rebuild our economies post-pandemic, we trust that the international partnerships we have established with many partners including China will help to ensure our long-term prosperity and sustainability.



**Catherine McGuinness**  
Chair of the Policy and Resources Committee



**Alderman Vincent Keaveny**  
The Rt. Hon. the Lord Mayor of City of London

# The City of London Corporation



## The City of London Corporation is a unique organisation

It supports and promotes the City as the world leader in international finance and business services through a wide range of activities, including strategic engagement with key overseas markets such as China.

Although we are based in London and work closely with the Greater London Authority and office of the Mayor of London, we are distinct organisations with separate responsibilities.

To find out more about the City of London Corporation and our work visit our website:

[www.cityoflondon.gov.uk](http://www.cityoflondon.gov.uk)

## Welcoming the World

The City of London Corporation hosts several high-level events, delegations and visits every year.

We play a key role in visits to the UK by international Heads of State, and our Lord Mayor hosts visiting state leaders alongside HM government and UK Royal Family representatives.

This included Chinese President Xi Jinping, who came to the Guildhall during his state visit to the UK in October 2015, and vice premier Hu Chunhua, who came for 10<sup>th</sup> UK-China Economic and Financial Dialogue in June 2019.

# Our programme and offices in China

The City of London's China programme builds long-term relationships throughout China and the UK, and influences policies by engaging with senior officials and regulators.

The Chair of Policy and Resources Committee and Rt. Hon. the Lord Mayor are key figures for this agenda. The City of London's representative offices in Beijing and Shanghai work together with the team in London to engage with decision makers in the financial and professional services sectors.

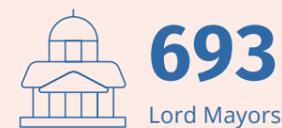
Our work is also guided by the City of London China Advisory Council - a group of senior Chinese financial sector experts who help shape our priorities and strategic direction.

We also provide support to HM Treasury during the annual UK-China Economic and Financial Dialogue.

## Our overall aims in China are:

- ➔ To contribute practically to financial reform and market liberalisation
- ➔ To develop long term relationships between the City of London Corporation and key Chinese stakeholders
- ➔ To raise awareness of the UK's financial sector offering
- ➔ To increase trade and investment volume between the UK and China

## City facts



## Our current priorities in China

### RMB Internationalisation

The UK is the world's number one foreign exchange centre and the world's 2<sup>nd</sup> largest offshore RMB hub after Hong Kong. We are working to boost the already strong growth of the UK's RMB business volumes, and support mutually beneficial trade and investment between the UK and China.

RMB internationalisation has long been on the agenda in London and began in earnest when the RMB Initiative was launched in 2012 - the purpose being to establish London as a major offshore centre for RMB. In 2018, the City of London relaunched its influential RMB business initiative, the London RMB Business Monitoring Group, which is co-chaired with the People's Bank of China Representative Office for Europe.

### Trade and Investment

#### Asset Management

The UK is the largest asset management centre outside of the US, with £8.5 trillion of asset under management - as of March 2021- and remains the largest asset management centre in Europe, where it accounts for 38% of all assets under management. London is also the largest European centre for the management of private equity investments and funds. UK asset managers manage £3.6 trillion for overseas clients. Over £400 billion in assets managed in the UK is for clients in Asia. The City of London work closely with asset management firms in Asia and the UK to ensure that capital markets work effectively.

#### Capital Markets Connectivity

From capital markets to retail banking and wealth management, the UK has an undisputed leading proposition. It benefits from the cluster effect in the City of London, and draws on world-class expertise and capital raising capability. As one of the world's most international capital markets, the London Stock Exchange is home to over 2,000 companies from more than 70 countries around the world.

The Exchange established the London-Shanghai Stock Connect in 2019 which currently has four Chinese firms listed via the Connect. At the end of June 2021, there were 149 Dim Sum bonds listed on the London Stock Exchange with an outstanding value of RMB66.3 billion.

#### Fintech

Fintech is worth more than £11 billion to the UK economy. The UK is home to the largest and most forward looking cluster of financial and professional services firms and a consumer base with one of the highest fintech adoption rates in the world at 71% - providing a huge partner and customer activity for fintech firms. The UK's fintech industry attracted £3 billion of investment in 2020, 1<sup>st</sup> in Europe and 2<sup>nd</sup> globally.

In 2016 the UK - China fintech bridge was established to enable regulators on both sides to share information about financial services innovations in their respective markets including volume trends and regulatory issues.

The UK launched the world's first regulatory sandbox and pioneered open banking which have now taken the world by storm.

### Green Finance

The City of London Corporation continues to work with China on green finance through the UK-China Green Finance Taskforce, a unique partnership that connects London's green finance experience and deep capital markets with China's rapidly growing demand for green projects and expertise. The Taskforce is co-chaired by Sir William Russell, the 692<sup>nd</sup> Lord Mayor of the City of London and Dr Ma Jun, Chair of China Green Finance Committee.

We are also supporting the achievement of net zero, building climate resilience and championing sustainable growth. In November 2021, we brought together key green finance stakeholders, across borders and across sectors at the Green Horizon Summit at COP26 (GHS@COP26), to address the shared global challenges we face around the transition to net zero.

## China Advisory Council

*The City of London Corporation China Advisory Council is a group of senior executives in the Chinese financial and professional services sector that help guide our work.*

### Advisory Members Include (in alphabetical order):

- China Asset Management Co., Ltd
- China Foreign Exchange Trade System (CFETS) and National Interbank Funding Centre
- China International Capital Co, Ltd.
- China Pacific Insurance (Group) Co., Ltd.
- Financial Research Institute, Development Research Centre of the State Council of PRC
- Green Finance Committee of the China Society for Finance and Banking
- Harvest Fund
- Max Giant Ltd.
- Standard Chartered Bank (China) Ltd.
- Shanghai Stock Exchange

Established in 2010, the Council provides guidance on the activities of the City of London Corporation's representative offices and the City of London Corporation's overall engagement with China.

The Chair of Policy and Resources Committee at the City of London Corporation chairs the annual China Advisory Council meetings held in London and in China.

### Honorary Members Include (in alphabetical order):

- **MR. GAO GUOFU** - Independent Board Director of Shanghai International Group, former Chairman of Shanghai Pudong Development Bank Co., Ltd.
- **MR. LI YANG** - Chairman of National Institution for Finance and Development (NIFD)
- **MR. MA WEIHUA** - Chairman, National fund for Technology Transfer and Commercialization (NFTTC); Former Executive Director, President and CEO, China Merchants Bank

## For more information

*Please contact the Innovation and Growth Department*

#### UNITED KINGDOM

City of London Corporation,  
Guildhall,  
London, UK  
EC2V 7HH

Tel: +44 (0) 20 7332 3360

Email: [Asia@cityoflondon.gov.uk](mailto:Asia@cityoflondon.gov.uk)

#### BEIJING, CHINA

14F China World Office 1,  
No. 1 Jian Guo Men Wai Avenue,  
Beijing,  
China  
100004

Tel: + 86 10 6535 0240

Email: [Asia@cityoflondon.gov.uk](mailto:Asia@cityoflondon.gov.uk)

#### SHANGHAI, CHINA

38/F Park Place,  
1601 Nanjing West Road,  
Shanghai,  
China  
200040

Tel: +86 21 6032 1523

Email: [Asia@cityoflondon.gov.uk](mailto:Asia@cityoflondon.gov.uk)

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[cityoflondon.gov.uk](http://cityoflondon.gov.uk)