

Strategic Alliance: SCA and Hong Kong SFC Launch Mutual Recognition Framework for Cross-Border Distribution of Public Investment Funds Between Hong Kong and UAE

18 September 2025: In a groundbreaking move that reinforces the UAE's position as a global financial hub, the Securities and Commodities Authority (SCA) and the Securities and Futures Commission of Hong Kong (SFC) announced the signing of a strategic Memorandum of Understanding (MoU)-the first of its kind - on the mutual recognition of investment funds and investment management companies. This MoU marks a milestone in financial collaboration between the Middle East and Asia and paves the way for new avenues of growth and innovation.

This MoU strengthens regulatory cooperation between the two financial centers, reduces duplication of requirements, and thereby accelerates cross-border market access while expanding investment opportunities. Beyond mutual recognition and the promotion of sustainable cooperation in international financial markets, it also encompasses a range of collaborative activities between the two authorities, including information exchange, cross-border on-site visits, and the sharing of expertise and best regulatory practices.

In this context, H.E. Waleed Al Awadhi, CEO of the Securities and Commodities Authority, stated: "This partnership with Hong Kong marks a transformative milestone in redefining the global investment landscape, unlocking unprecedented opportunities for investors to engage with one of the world's most advanced financial centers. We are deeply committed to empowering investors through a resilient investment ecosystem, one that drives innovation, sets new benchmarks in international best practices, and underscores the UAE's strategic leadership as one of the top global financial centers."

Meanwhile, Ms Julia Leung, CEO of the SFC, said: "This significant collaboration with the SCA has opened a new chapter in Hong Kong-UAE regulatory cooperation – not only reaffirming the city's standing as a preferred fund domicile, but also highlighting its role as a premier gateway between Mainland China and the Middle East, especially in a fast-evolving global landscape."

The MoU represents a strategic step to deepen international financial cooperation, create new investment opportunities, and strengthen confidence across global financial markets. Through this collaboration, the UAE and Hong Kong reaffirm their commitment to shaping a sustainable, innovative, and resilient financial future, reflecting the UAE's position as a leading global financial hub.

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