

“Hong Kong is the natural choice for our first regional Lab – it is a mature financial centre and trading hub, has a conducive regulatory environment and supported by an increasing demand for blockchain solutions in the region.”

**Dr Paul Sin, Partner
Consulting
Deloitte Asia Pacific Blockchain Lab**



Unleashing Blockchain Potential across Different Industries

Deloitte launches its first regional blockchain lab in Hong Kong to tap on the increasing demand in the region

In 2017, Deloitte launched their Asia Pacific Blockchain Lab (the “Lab”) in Hong Kong following the two other labs that are located in Dublin and New York. The opening of the Lab builds on the recent collaboration with the Hong Kong Monetary Authority (HKMA) and five leading banks in Hong Kong, driving the adoption of Distributed Ledger Technology (DLT) with the trade finance ecosystem. At the moment, the Deloitte team has developed over 40 blockchain solutions, covering supply chains, banks, insurance companies and more.

Dr Paul Sin, Partner of Consulting at Deloitte, explained that blockchain solutions work best when there is a B2B ecosystem. The most common solutions are between banks and insurance companies or various banks who want to detect fraud together. Cross-industry blockchain solutions are taking off in Hong Kong, such as marine insurance agencies with shipping companies, automobile companies with leasing firms or food suppliers from the supply chain would like to trace the products from farm to customer’s table.

“In the old days, people were very conservative in sharing records, but now with blockchain solutions, people create trust through technology and are more willing to collaborate,” Sin said.

To cover the projects in the region, the Hong Kong team has over 20 engineers who work closely with the development and programming teams in Guangzhou and Chongqing respectively. There are altogether over 400 staff in the region.

“Hong Kong is the natural choice for our first regional Lab – it is a mature financial centre and trading hub, has a conducive regulatory environment and supported by an increasing

demand for blockchain solutions in the region,” Sin added. “People in general have a good understanding of the wide range of financial products and they are fast to pick up new technology. The city has an advantage of having a talented international workforce.”

Sin sees a great potential in the FinTech development in Hong Kong. As HKMA is planning to facilitate the establishment of virtual banks, it can help promote financial inclusion that normally target retail industry and the small and medium-sized enterprises (SMEs). Companies who have limited access to financial services will be able to receive microfinance or other related financial services. “There are about 330,000 SMEs in Hong Kong that accounts about 46 percent of total employment, I believe there is a tremendous potential in developing blockchain solutions for this segment,” Sin commented.

Deloitte Asia Pacific Blockchain Lab

- The third Blockchain Lab following Dublin and New York offices
- The Hong Kong regional Lab has over 20 staff and work closely with Guangzhou and Chongqing teams to serve the Asia Pacific region

https://www2.deloitte.com/cn/en/pages/financial-services/topics/fintech.html?icid=nav2_fintech