

29 October 2024

BOCHK becomes the first bank in Hong Kong to integrate with mBridge and fully automate cross-border remittances for corporate customers

Bank of China (Hong Kong) (“BOCHK”) has become the first commercial bank in Hong Kong to achieve system integration with the mBridge¹ platform, successfully completing its first fully automated transactions for both inward and outward cross-border corporate remittances.

Xing Guiwei, Deputy Chief Executive of BOCHK, said, “As the first Hong Kong commercial bank to connect our system to mBridge, BOCHK has synchronised payment and settlement processes for eligible corporate remittances through the fully automated process and thus significantly enhanced transaction efficiency. This marks a major technological milestone for Project mBridge. The integration enables corporate customers to seamlessly initiate mBridge remittance applications online and lays the foundation for future 24/7 cross-border remittance processing. As a pioneer in mBridge system integration, BOCHK will continue to develop its product and service functionalities, accelerate the comprehensive implementation of different use cases so as to promote the scaling-up of the mBridge platform’s operations, and collaborate with more banking peers to provide a faster cross-border remittance experience for corporate customers.”

BOCHK has been deeply involved in the mBridge project since its launch. The Bank has successfully verified a range of real-value transactions on mBridge, including liquidity management, foreign exchange settlement and cross-border remittance transactions, and addressed pain points in traditional cross-border remittance by streamlining intermediary correspondent banks’ fund handling processes to improve efficiency and stability. Following the successful integration of its system with the mBridge platform, BOCHK is now able to efficiently transfer funds to recipient banks using wholesale central bank digital currency (“CBDC”) within minutes of receiving a customer’s payment instruction. The Bank has now successfully completed the first fully automated cross-border remittance via mBridge.

From now on, when selected corporate customers submit cross-border remittance instructions via BOCHK’s corporate banking electronic platform iGTB, the Bank will use mBridge to automatically transfer eligible outward remittance transactions directly to the recipient bank. In addition, it can fully automate the processing of corporate customers’ inward remittance

transactions received from mBridge, enabling customers to enjoy an efficient, stable and seamless CBDC cross-border remittance experience without the need for any additional application procedures.

Note 1: Project mBridge aims to study how central bank digital currencies (CBDCs) and innovative technologies can be applied to address common pain points in cross-border payments. The mBridge project team currently consists of the Bank for International Settlements (BIS) Innovation Hub Hong Kong Centre, the Bank of Thailand, the Digital Currency Institute of the People's Bank of China, the Central Bank of the United Arab Emirates and the Hong Kong Monetary Authority.

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