



HONG KONG MONETARY AUTHORITY
香港金融管理局

Banking Policy Department

Our Ref: B1/15C
B1/21C
B9/151C

16 August 2019

The Chief Executive
All Authorized Institutions

Dear Sir / Madam,

Supervisory Policy Manual (SPM): Revised module CA-D-1 “Guideline on the Application of the Banking (Disclosure) Rules”

I am writing to inform you that, following consultation with the two industry Associations, the Monetary Authority is issuing a revised version of the above SPM module as a guidance note today.

The SPM module was revised mainly to provide updated interpretative guidance on the application of the Banking (Disclosure) Rules which have been substantially amended since 2017 to incorporate the first two phases of the Basel revised Pillar 3 Framework¹.

In response to a recent query raised by the industry regarding the expectation for overseas incorporated AIs to conduct before publication an internal review of disclosures under section 12.3 of the guideline, we would also like to take this opportunity to confirm that they may adopt such practice as soon as practicable, preferably no later than for disclosures relating to a reporting period ending on or after 31 December 2019.

On-line access to the SPM module is available at the HKMA’s public website (<http://www.hkma.gov.hk/eng/key-functions/banking-stability/supervisory-policy-manual.shtml>) and private website (<http://www.stet.iclnet.hk>).

¹ These refer to the *Revised Pillar 3 disclosure requirements* and the *Pillar 3 disclosure requirements – consolidated and enhanced framework* released by the Basel Committee on Banking Supervision in January 2015 and March 2017 respectively.

Should you have any questions regarding this revised module, please contact Miss Theresa Kwan at tyykwana@hkma.gov.hk or Miss Rowena Cheung at rylcheung@hkma.gov.hk.

Yours faithfully,

Daryl Ho
Executive Director (Banking Policy)

Encl

cc: The Chairperson, The Hong Kong Association of Banks
The Chairman, The DTC Association
FSTB (Attn: Ms Eureka Cheung)