



HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref: B1/1C
B9/67C

20 October 2020

The Chief Executive
All Authorized Institutions

Dear Sir/Madam,

Complaints Against Debt Collection Agents Employed by Authorized Institutions

I write to inform you of the results of the industry survey on complaints against debt collection agents (DCAs) employed by authorized institutions (AIs) for the first half of 2020.

During the reporting period, 27 AIs used the services of DCAs and assigned 400,235 accounts to 20 DCAs. A total of 29 complaints against 9 DCAs were received by 9 AIs (compared with 13 complaints against 6 DCAs received by 6 AIs in H2 2019). The incidence of complaints per 1,000 accounts assigned has increased from an average of 0.03 in H2 2019 to 0.07. 7 complaints were lodged by unrelated third parties, compared with 3 in H2 2019. Please see Annex for details.

No instance of a breach of the Code of Banking Practice was reported in H1 2020.

Yours faithfully,

Alan Au
Executive Director (Banking Conduct)

Encl.

c.c. The Chairman, Hong Kong Association of Banks
The Chairperson, The DTC Association
Secretary, Code of Banking Practice Committee
(Attn: Ms Celia Shing – HKAB)
Secretary for Financial Services and the Treasury
(Attn: Ms Polly Tang)

Annex

Survey on DCA complaints received by AIs – H1/2020

Table 1: Number of AIs using DCA service

| | H1/2020 | H2/2019 | H1/2019 | H2/2018 | H1/2018 |
|---------------------------------|----------------|---------|---------|---------|---------|
| AIs receiving DCA complaints | 9 | 6 | 7 | 7 | 8 |
| AIs receiving no DCA complaints | 18 | 21 | 19 | 21 | 20 |
| Total | 27 | 27 | 26 | 28 | 28 |

Table 2: Number of DCAs employed by AIs

| | H1/2020 | H2/2019 | H1/2019 | H2/2018 | H1/2018 |
|---------|----------------|---------|---------|---------|---------|
| 1 – 5 | 23 | 24 | 22 | 24 | 25 |
| 6 – 10 | 4 | 3 | 4 | 4 | 3 |
| 11 – 15 | 0 | 0 | 0 | 0 | 0 |
| Total | 27 | 27 | 26 | 28 | 28 |

Table 3: Incidence of DCA complaints

| | H1/2020 | H2/2019 | H1/2019 | H2/2018 | H1/2018 |
|--|----------------|---------|---------|---------|---------|
| DCA complaints received (A) | 29 | 13 | 19 | 16 | 17 |
| Accounts assigned (B) | 400,235 | 429,503 | 386,010 | 387,451 | 385,345 |
| Incidence of complaints per 1,000 accounts (C) = (A) / (B) x 1,000 | 0.07 | 0.03 | 0.05 | 0.04 | 0.04 |

Table 4: Status of complainants

| | H1/2020 | H2/2019 | H1/2019 | H2/2018 | H1/2018 |
|-------------------------|----------------|---------|---------|---------|---------|
| Debtors | 21 | 9 | 18 | 10 | 10 |
| Family members/friends | 1 | 1 | 0 | 2 | 3 |
| Referees | 0 | 0 | 0 | 0 | 0 |
| Unrelated third parties | 7 | 3 | 1 | 4 | 4 |
| Total | 29 | 13 | 19 | 16 | 17 |