



HONG KONG MONETARY AUTHORITY
香港金融管理局

Banking Policy Department

Our Ref: B1/15C
B1/21C

20 July 2021

The Chief Executive
All locally incorporated authorized institutions

Dear Sir/Madam,

Supervisory Policy Manual (SPM): CS-1 “Group-wide Approach to Supervision of Locally Incorporated Authorized Institutions”

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 primarily to:

- reflect the current supervisory approach and practices adopted by the HKMA in relation to a locally incorporated authorized institution where it forms part of a banking, financial or commercial group;
- incorporate relevant principles in international standards concerning the supervision of financial conglomerates; and
- cater for consequential changes arising from amendments to the Banking Ordinance, relevant rules made under the Ordinance and supervisory guidelines.

On-line access to the module is available under the icon for “Supervisory Policy Manual” on the HKMA’s public website (<https://www.hkma.gov.hk/eng/>) and its private website (<https://www.stet.iclnet.hk>).

Should you have any questions relating to the SPM module, please feel free to contact Mr Andy Cheung at 2878-1022.

Yours faithfully,

Daryl Ho
Executive Director (Banking Policy)

Encl

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