



HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref: B1/15C
B9/151C

7 March 2022

The Chief Executive
All Authorized Institutions

Dear Sir / Madam,

Extended deadlines for regulatory submissions and other exceptional arrangements under Covid-19 pandemic

The HKMA is aware that amid an upsurge of infections in the latest wave of the Covid-19 pandemic, the banking industry has stepped up efforts to implement special work arrangements and safety measures to protect staff and customers while ensuring an uninterrupted provision of essential banking services. The operational challenges authorized institutions (AIs) face under the circumstances may increase further in the short term as the Hong Kong community makes a concerted effort to combat the pandemic with city-wide measures, including a universal testing exercise, to bring it under control.

To enable AIs to focus resources on essential operations, the HKMA considers it appropriate to provide flexibility in certain submissions required of them during this exceptional period. These cover various surveys, banking returns, self-assessments, consultations, etc. which AIs are required to make submissions to the HKMA within specified periods. The way the HKMA proposes to exercise flexibility in each case (i.e. either by way of an extension of submission deadline, or temporary suspension of submission) is set out at **Annex 1**. For upcoming consultations, the HKMA is prepared as far as appropriate to allow the industry to provide feedback within a more accommodative time frame.

Relatedly, you may recall that the HKMA issued a circular on 7 February 2020 informing AIs of its preparedness to allow flexibility for those encountering pandemic-related operational difficulties in meeting the deadlines for lodging documents with the HKMA under section 60 of the Banking Ordinance (Cap. 155) (BO) or in making disclosures under the Banking (Disclosure) Rules (Cap. 155M). A copy of the circular is enclosed at **Annex 2** for your ease of reference. We would like to reiterate that the same principles for allowing flexibility as set out in the circular remain applicable. Any AI anticipating difficulties is requested to approach the HKMA as soon as practicable for discussion.

Incidentally, in respect of relevant individuals (including executive officers) within the meaning of the BO who are originally required to pass regulatory examinations or have undertaken to complete additional Continuous Professional Training hours on or before 31 May 2022, the HKMA allows the same extension of three calendar months as that provided by the Securities and Futures Commission for licensed individuals¹. Application for time extension to the HKMA is not required.

The HKMA will continue to closely monitor the development of the pandemic situations and collaborate with the industry in maintaining the safety and soundness of the banking system. The HKMA is also using its supervisory tools flexibly in this period and reiterates the importance of risk-based approach². Meanwhile, should you have any questions about this circular, you may approach your usual supervisory contacts in the HKMA.

Yours faithfully,

Arthur Yuen
Deputy Chief Executive

Encl.

c.c. The Chairperson, The Hong Kong Association of Banks
The Chairperson, The Deposit-taking Companies Association

¹ Please refer to the updated questions 1 and 2 of the FAQs on "Licensing related matters in light of the COVID-19 pandemic" on the SFC's website (<https://www.sfc.hk/en/faqs/intermediaries/licensing/Licensing-related-matters-in-light-of-the-COVID-19-pandemic>).

² Reference can be made to various HKMA circulars, including "COVID-19 and Anti-Money Laundering and Counter-Financing of Terrorism measures" issued in April and updated in July 2020 (<https://www.hkma.gov.hk/media/eng/doc/key-information/guidelines-and-circular/2020/20200407e1.pdf>, <https://www.hkma.gov.hk/media/eng/doc/key-information/guidelines-and-circular/2020/20200730e1.pdf>).