



HONG KONG MONETARY AUTHORITY
香港金融管理局

Banking Policy Department

Our Ref: B1/15C
B9/75C, B9/151C
B9/155C, B9/188C

8 February 2024

The Chief Executive
All Authorized Institutions

Dear Sir/Madam,

Rules on Basel III final package and related updates

Further to our letter of 29 December 2023, I write to inform you that the 28-day period for the negative vetting of the following rules by the Legislative Council has expired without extension:

The Banking (Capital) (Amendment) Rules 2023 (“BCAR”);
The Banking (Disclosure) (Amendment) Rules 2023 (“BDAR”);
The Banking (Exposure Limits) (Amendment) Rules 2023 (“BELAR”); and
The Banking (Liquidity) (Amendment) Rules 2023 (“BLAR”).

As mentioned in the letter, the rules will come into operation on the following dates:

- for the provisions of the rules that are not associated with the Basel III final package, those in the BCAR (including provisions for introducing the option of a positive neutral countercyclical capital buffer), and those in the BELAR that are considered significant to ensuring the effective operation of the rules, 1 April 2024; and
- for the other provisions of the BCAR and the BELAR, as well as the BDAR and the BLAR, a date to be appointed by the Monetary Authority by notice published in the Gazette, which is currently intended to be 1 January 2025.

Yours faithfully,

Donald Chen
Executive Director (Banking Policy)

cc: The Chairperson, The Hong Kong Association of Banks
The Chairperson, The DTC Association
FSTB (Attn: Mr Justin To)