



HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref: B1/1C
B9/67C

10 September 2024

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 2024.

During the reporting period, 33 AIs used the services of DCAs and assigned 436,770 accounts to 19 DCAs. A total of 28 complaints against 8 DCAs were received by 11 AIs (compared with 22 complaints against 5 DCAs received by 6 AIs in H2 2023). The average incidence of complaints per 1,000 accounts assigned was 0.06 in H1 2024 (compared with 0.05 in H2 2023). 3 complaints were lodged by unrelated third parties in H1 2024. Please see Annex for details.

One instance of a breach of agency contract by a DCA was reported in H1 2024, involving disclosure of customer information of a debtor by the DCA concerned to a family member of the debtor. The AI concerned has taken punitive measures and corrective actions on the DCA concerned.

I would like to take this opportunity to remind all AIs of the need to monitor the activities of their DCAs vigilantly and to establish proper systems and procedures for doing so.

Yours faithfully,

Alan Au
Executive Director (Banking Conduct)

Encl.

c.c. The Chairperson, Hong Kong Association of Banks
The Chairperson, The DTC Association
Secretary, Code of Banking Practice Committee
(Attn: Ms Queenie Wong – HKAB)
Secretary for Financial Services and the Treasury
(Attn: Mr Justin To)

Survey on DCA complaints received by AIs – H1/2024

Table 1: Number of AIs using DCA services

| | H1/2024 | H2/2023 | H1/2023 | H2/2022 | H1/2022 |
|---------------------------------|----------------|---------|---------|---------|---------|
| AIs receiving DCA complaints | 11 | 6 | 4 | 10 | 10 |
| AIs receiving no DCA complaints | 22 | 27 | 28 | 22 | 23 |
| Total | 33 | 33 | 32 | 32 | 33 |

Table 2: Number of DCAs employed by AIs

| | H1/2024 | H2/2023 | H1/2023 | H2/2022 | H1/2022 |
|----------------------------|----------------|---------|---------|---------|---------|
| AIs employing 1 – 5 DCAs | 31 | 31 | 30 | 30 | 31 |
| AIs employing 6 – 10 DCAs | 2 | 2 | 2 | 2 | 2 |
| AIs employing 11 – 15 DCAs | 0 | 0 | 0 | 0 | 0 |
| Total | 33 | 33 | 32 | 32 | 33 |

Table 3: Incidence of DCA complaints

| | H1/2024 | H2/2023 | H1/2023 | H2/2022 | H1/2022 |
|--|----------------|---------|---------|---------|---------|
| DCA complaints received (A) | 28 | 22 | 10 | 19 | 20 |
| Accounts assigned (B) | 436,770 | 458,136 | 414,755 | 433,323 | 414,996 |
| Incidence of complaints per 1,000 accounts (C) = (A) / (B) x 1,000 | 0.06 | 0.05 | 0.02 | 0.04 | 0.05 |

Table 4: Status of complainants

| | H1/2024 | H2/2023 | H1/2023 | H2/2022 | H1/2022 |
|-------------------------|----------------|---------|---------|---------|---------|
| Debtors | 25 | 21 | 10 | 15 | 16 |
| Referees | 0 | 0 | 0 | 0 | 0 |
| Family members/friends | 0 | 0 | 0 | 1 | 1 |
| Unrelated third parties | 3 | 1 | 0 | 3 | 3 |
| Total | 28 | 22 | 10 | 19 | 20 |