



HONG KONG MONETARY AUTHORITY 香港金融管理局

Banking Policy Department

Our Ref: B1/15C, B9/196C, S4/3C

23 July 2024

The Chief Executive
All Authorized Institutions

Dear Sir/Madam,

Cryptoasset disclosure requirements and standard amendments

As you may be aware, the Basel Committee on Banking Supervision (BCBS) issued on 17 July 2024 (i) “*Disclosure of cryptoasset exposures*”¹, which sets out the final disclosure framework for banks’ cryptoasset exposures, and (ii) “*Cryptoasset standard amendments*”², which set out a set of targeted amendments to its cryptoasset standard.

The final disclosure framework includes a standardised table and a set of standardised templates for banks’ cryptoasset exposures. These require banks to disclose qualitative information on their cryptoasset-related activities, quantitative information on the capital and liquidity requirements for their cryptoasset exposures, as well as details of the respective accounting classifications.

The targeted amendments to the cryptoasset standard primarily aim to further specify the criteria for stablecoins to be eligible for a preferential regulatory treatment. Other revisions include various technical amendments in order to promote a consistent understanding of the cryptoasset standard.

We plan to align our proposed regulatory framework introduced in our consultation paper CP 24.01 “Cryptoasset Exposures”³ with the latest updates from the BCBS and will consult the industry again on any major additional changes to our local requirements in due course.

Yours faithfully,

Donald Chen
Executive Director (Banking Policy)

Encl

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

¹ <https://www.bis.org/bcbs/publ/d580.pdf>

² <https://www.bis.org/bcbs/publ/d579.pdf>

³ https://www.hkma.gov.hk/media/eng/regulatory-resources/consultations/CP24_01_Cryptoasset_Exposures.pdf