



HONG KONG MONETARY AUTHORITY
香港金融管理局

Banking Policy Department

Our Ref: B1/15C, B1/21C, B9/130C
B9/167C, B9/188C, S4/16C

13 December 2024

The Chief Executive
All Authorized Institutions

Dear Sir/Madam,

Supervisory Policy Manual (SPM): Consequential updates arising from implementation of Basel III final reform package

I am writing to inform you that, following consultation with the two industry Associations, the Monetary Authority issues by notice in the Gazette today five revised SPM modules as listed below as statutory guidelines issued by the Monetary Authority under section 16(10) (in respect of module CR-G-8) and section 7(3) (in respect of the other revised modules) of the Banking Ordinance:

- CR-G-8 “Large Exposures and Risk Concentrations”;
- CR-G-9 “Exposures to Connected Parties”;
- CR-L-1 “Consolidated Supervision of Concentration Risks: BELR Rule 6”;
- CR-L-4 “Underwriting of Securities: BELR”; and
- LM-1 “Regulatory Framework for Supervision of Liquidity Risk”.

These revised modules will take effect on 1 January 2025, which mainly include updates to cater for the implementation of the Banking (Exposure Limits) (Amendment) Rules 2023 and Banking (Liquidity) (Amendment) Rules 2023 that will come into effect on the same day, and incorporate some refinements to improve the clarity or better reflect the policy intent of some existing provisions in the relevant Rules.

On-line access to the revised SPM modules is available on the HKMA’s public website (<https://www.hkma.gov.hk/eng/regulatory-resources/regulatory->

[guides/supervisory-policy-manual/](#)) and the Supervisory Communication Website (<https://www.stet.iclnet.hk>).

Should you have any questions relating to these revised SPM modules–

- regarding modules CR-G-8, CR-G-9, CR-L-1 and CR-L-4: please email the Banking Policy team at bpa3@hkma.iclnet.hk;
- regarding module LM-1: please contact Ms Sally Lo (2878-1521) or Mr Eric Ng (2878-8603).

Yours faithfully,

Cho-hoi Hui
Acting Executive Director (Banking Policy)

Encl

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