



HONG KONG MONETARY AUTHORITY
香港金融管理局

Circulars

15 Nov 2001

Revised Code of Banking Practice

Our Ref.: B1/1C

15 November 2001

The Chief Executive
All Authorized Institutions

Dear Sir/Madam,

Revised Code of Banking Practice

I am pleased to inform you that the first comprehensive review of the Code of Banking Practice has been completed. A [revised Code](#) was issued today by the [Hong Kong Association of Banks \(HKAB\)](#) and the [Deposit-taking Companies Association \(DTCA\)](#). The HKMA welcomes the issue of the Code and fully endorses its recommended practices and standards.

The revised Code is effective from 1 December 2001. The HKMA expects all institutions to take active steps to implement the revised provisions as quickly as possible. Institutions should endeavour to achieve full compliance within 6 months of the effective date of the Code while a further 6 months is allowable for compliance with those provisions which require system changes. In order to facilitate institutions' compliance with the revised provisions of the Code, a set of [Explanatory Papers](#) providing guidance on their interpretation is attached. These Papers as well as the revised Code are also available on the HKMA's website.

As in the past, the HKMA will continue to monitor institutions' compliance with the Code. In addition, each institution should commission its internal audit department or other equivalent unit to carry out an annual assessment of its compliance with the Code. The assessment reports should be submitted to the HKMA for reference and the first such report should reach the HKMA by 1 September 2002.

Going forward, HKAB, in conjunction with DTCA, will assume greater ownership of the Code. A Code of Banking Practice Committee comprising representatives of the HKMA, HKAB and DTCA has been established, and this will take on the role of developing and drafting future changes to the Code. It will also provide guidance on the application and interpretation of the Code. The HKMA will continue to work closely with the Associations on the future development of the Code.

Yours faithfully,

Simon Topping
Executive Director (Banking Policy)

Encl.: Code of Banking Practice [\(English Version\)](#) (PDF File, 397KB)
[\(Chinese Version\)](#) (PDF File, 417KB)

[Explanatory Papers \(Eng\) \(PDF File, 179KB\)](#)

c.c. Chairman, Hong Kong Association of Banks
Chairman, The DTC Association
Secretary for Financial Services (Attn: Miss Clara Tang)

Last revision date : 01 August 2011