



International Deposit Insurance Survey



Question Version: 2

Answer Version: 1

Deposit Insurer: Hong Kong Monetary Authority (HKMA)

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Hong Kong Monetary Authority (HKMA)

Section 2: Objectives, Mandates & Powers

DIS Established	Not yet established
Public Policy Objectives	To protect small depositors and contribute to the stability of the financial system.
Legal Basis of DIS	Legislation (anticipated)
Type of System	A publicly administered privately funded system (anticipated)
Authority Over Entry and Exit	No
Authority To Determine DIS Funding Requirements	No, in legislation
Authority To Determine Premiums and Levies	No
Access To Information Directly From Member Institutions	Yes, as necessary to function as a paybox.

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Access To Information Through Supervisory Authorities	Yes, for purpose of premium assessment.
Authority To Conduct Examinations	No
Authority To Set Standards or Guidelines For Member Institutions	Only regarding information systems maintained by participating banks
Authority To Take Enforcement Actions Against Members	No
Authority To Cancel Deposit Insurance	No
Authority To Decide On Appropriate Form of Failure Resolution	No
Authority To Act As Receiver or Liquidator	No

Section 3: Governance Arrangements

Legally Separate Organization	Yes
Form of Governance	Advisory Board or Committee
Composition of Governing Body	The Monetary Authority is an ex-officio member.
Internal Control and Audit Systems	Not yet developed
DIS Taken Legal Action Against Directors of Failed Institutions	not applicable
Management Accountability Regime	Annual reports,Audited financial statements

Section 4: Human Resources & Infrastructure

Total # of Employees At DIS	DIS not yet established
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Majority Dedicated Staff	not applicable
Training & Development of DIS Staff	not applicable
Compensation and Incentives (Scale: 1 to 5 with 1=poor, 5=excellent)	not applicable
Confidentiality Provision For Employees of DIS	Yes
Legal Protection For DIS Staff	Yes

Section 5: Information Sharing & Interrelationship Among Safety-Net Players

Accessibility to Information from Other Safety Net Players (Scale: 1 to 5 with 1=poor, 5=excellent)	not applicable
Timeliness of Information (Scale: 1 to 5 with 1=poor, 5=excellent)	not applicable
Information Sharing and Co-ordination Mechanisms	HKMA would collect information on behalf of the DIS
DIS Consulted When Other Regulatory Bodies Enter Into Agreement With Its Members	not applicable
Who performs DIS member exams?	Supervisor

Section 6: Membership

Types of Institutions Covered	Licensed banks that accept small deposits
Mandatory	Yes
Foreign Bank Branches Included in DIS	Yes
# Member Institutions	There are 146 licensed banks in Hong Kong, these will automatically become members.

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Amount of Insurable Deposits (local currency)	HK\$544 billion (if DIS existed)
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Section 7: Coverage

Types of Deposits Eligible For Coverage	Savings account, Chequing account
Coverage Characteristics	Per depositor per institution
Coverage Limit	HK\$100,000
Longest Contract Term Covered	5 years
Types of Depositors Eligible For Coverage	Officers & directors of member institutions, foreign residents
Coverage Indexed	No
Coinsurance	No

Section 8: Funding & Fund Management

Type of Funding (Ex-ante, Ex-post, Combination)	not applicable
DIS Funded Through	not applicable
Type of Premium	not applicable
Premium Rate	not applicable
Premium Base	not applicable
Premium Tax Deductible As Business Expense	not applicable

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DIS Has Target For Size of Fund	not applicable
Assessment Levied on Institutions If No Fund Maintained	not applicable
Income From Investment Fund Taxable	not applicable
Sources of Additional Funding	not applicable

Section 9: Reimbursing Depositors

Depositors Required to File Claim	not applicable
DIS Subject to Prompt Reimbursement Standards	not applicable
Option of Making Advance Payments to Depositors	not applicable
DIS Make Interest Payments During Time Taken For Reimbursement	not applicable

Section 10: Public Information & Awareness

Responsibility for Communicating with Public	not applicable
Methods Used to Communicate With Public	not applicable
Performed Survey of Public Awareness	not applicable
Use of Public Awareness Campaigns	not applicable

Section 11: Risk Assessment & Intervention

DIS Has Risk Monitoring & Assessment Function	not applicable
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DIS Performs Examinations of Members	not applicable
DIS Receives Information From Members or Other Regulatory Bodies	not applicable

Section 12: Failure Resolution

DIS Involved In Failure Resolution	not applicable
Who Determines Whether Institution Has Failed/Insolvent	not applicable
# Institutions Failed in Last 10 Years	not applicable
Banks Go Through Regular Bankruptcy Process	not applicable
Receiver Also Disposes of Institution	not applicable
Methods of Failure Resolution	not applicable
DIS Required to Resolve Failures in Least Costly Manner	not applicable
Definition of failure	not applicable

Section 13: Claims, Recoveries & Estate Management

DIS Plays Role In The Claims and Recovery Process	not applicable
Primary Objective When Dealing With Claims and Recoveries	not applicable
DIS Has Rights of Subrogation	not applicable
Depositor Priority When Members Fail	not applicable

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Rights of Set-off Available/Imposed	not applicable
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End of Report