

Banking (Amendment) Bill 2025 gazetted

The Government published in the Gazette today (March 28) the Banking (Amendment) Bill 2025, which seeks to facilitate the sharing of information among authorized institutions (AIs) under specified conditions to enhance the efficiency in detecting and preventing crime in Hong Kong.

The Bill proposes to introduce a voluntary mechanism for AIs to share with each other information of corporate and individual accounts through secure platforms to be designated by the Hong Kong Monetary Authority (HKMA), when they become aware of suspected prohibited conduct (i.e. money laundering, terrorist financing or financing of proliferation of weapons of mass destruction). The proposed mechanism will enable AIs and relevant law enforcement agencies to take swift actions for earlier interception of illicit funds and expedite intelligence gathering so that the public will be better protected from fraud and associated money laundering activities, etc.

The Bill will provide legal protection for AIs that disclose information under the mechanism, provided that the AIs making the disclosure act in good faith and with reasonable care, and comply with specified confidentiality requirements. The information disclosed must only be used for detecting or preventing a prohibited form of conduct. AIs participating in the mechanism must also put in place adequate systems of control to ensure the security of the information.

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, said, "The proposed mechanism will enable us to better address the global trend of increasing fraud and associated money laundering activities, and is in line with international practice. It will help protect Hong Kong's banking system from being exploited for carrying out prohibited conduct, and enhance Hong Kong's status as an international financial centre."

The Chief Executive of the HKMA, Mr Eddie Yue, said, "The proposed mechanism is a crucial step in our efforts to combat fraud and other financial crime. We believe it will further enhance the ability of the banking sector and law enforcement agencies to detect and prevent illicit activities, thereby safeguarding the integrity of Hong Kong's banking system."

The HKMA conducted a public consultation on the proposed mechanism from January to March 2024. The views collected in the consultation indicated general support for the proposal. The HKMA also consulted the Hong Kong Association of Banks and the Office of the Privacy Commissioner for Personal Data on the detailed proposals of the Bill.

The Bill will be introduced into the Legislative Council for first reading on April 2.