



HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref.: B10/21C

30 July 2020

The Chief Executive
All Stored Value Facility Licensees

Dear Sir/Madam,

Coronavirus disease (COVID-19) and Anti-Money Laundering and Counter-Financing of Terrorism (AML/CFT) measures – An Update¹

I am writing to draw your attention to key observations and industry practices which the HKMA has shared with the banking sector today regarding the ongoing AML/CFT response to COVID-19 related challenges². While the operating modalities of the two sectors differ in some ways, many of the challenges are shared and we believe that the relevant observations and practices will also assist stored value facility (SVF) licensees respond to the evolving COVID-19 situation with operational responses which are consistent with the risk-based approach (RBA).

As the situation continues to evolve, it has become clear that measures which were originally intended to be short-term may have to be kept in place by SVF licensees for relatively longer or, in some cases, reintroduced as new clusters of COVID-19 cases emerge. The HKMA will therefore continue to work closely with SVF licensees to support ongoing industry efforts, and reiterates that the principles of the RBA provide the flexibility to be both pragmatic and responsive to the evolving COVID-19 situation and the challenges it presents.

¹ HKMA Circular “Coronavirus disease (COVID-19) and Anti-Money Laundering and Counter-Financing of Terrorism (AML/CFT) measures” issued on 7 April 2020 (<https://www.hkma.gov.hk/media/eng/doc/key-information/guidelines-and-circular/2020/20200407e2.pdf>)

² HKMA Circular “Coronavirus disease (COVID-19) and Anti-Money Laundering and Counter-Financing of Terrorism (AML/CFT) measures – An Update” issued to authorized institutions on 30 July 2020.

For any questions about this circular, please approach Mr. Alex Chow at 2878-8769 or Mr. Dixon Lam at 2878-8721.

Yours faithfully,

Carmen Chu
Executive Director (Enforcement and AML)