

**Bills Committee  
on Securities and Futures Bill and Banking (Amendment) Bill 2000**

**Memoranda of Understanding/Co-operative Arrangements  
concluded by the Securities and Futures Commission  
with Authorities or Regulatory Organizations outside Hong Kong**

When the Bills Committee met on 16 March 2001 to discuss Part VIII of the Securities and Futures Bill (SF Bill) on the SFC's supervisory and investigative powers, we undertook to provide Members with a list of overseas authorities or regulatory organizations with which the Securities and Futures Commission (SFC) has concluded a Memorandum of Understanding (MOU)/co-operative arrangement. Depending on the specific circumstances in each case, the scope of the MOU/co-operative arrangement may cover exchange of information and/or provision of assistance in investigation where the statutory conditions are satisfied.

**Exchange of information**

2. Section 59(2)(g) of the SFC Ordinance (Cap. 24) provides that the SFC may disclose information to an authority or regulatory organization outside Hong Kong which, or to any companies inspector outside Hong Kong appointed to investigate the affairs of a corporation who, in the opinion of the SFC, (a) performs any function similar to a function of the SFC or the Registrar of Companies, or regulates, supervises or investigates banking, insurance or other financial services or affairs of corporations; and (b) is subject to adequate secrecy provisions (collectively referred to as "qualifying party" in this paper). The SFC may disclose the information to such a qualifying party if the SFC is satisfied that it is desirable or expedient that the information should be so disclosed in the interest of the investing public or the public interest; or such disclosure will enable or assist the recipient of the information to perform its functions and it is not contrary to the interest of the investing public or the public interest that the information should be so disclosed. Section 59(2A) requires that where the SFC is satisfied of the above for the purpose of disclosure of information, it shall as soon as practicable cause the name of the qualifying party to be published in the Gazette.

3. The above arrangements are reproduced in clause 366(3)(h)(i), (5) and (6) of the SF Bill.

### **Assistance in investigation**

4. Section 59A(1) of the SFC Ordinance stipulates that where the SFC receives a request from a qualifying party for assistance in certain investigations as specified under that section, the SFC may provide the assistance to investigate the matters by exercising its powers under specified sections of the SFC Ordinance. The SFC may provide such assistance if it is desirable or expedient that the assistance should be so provided in the interest of the investing public or the public interest; or the assistance will enable or assist the recipient of the assistance to perform its functions and it is not contrary to the interest of the investing public or the public interest that the assistance should be so provided (section 59A(2)). Section 59A(4) further provides that where the SFC is satisfied of the above for the purpose of provision of assistance in investigation, the SFC shall as soon as practicable cause the name of the qualifying party to be published in the Gazette.

5. These arrangements are reproduced in clause 179 of the SF Bill.

### **List of parties to MOU/co-operative arrangement**

6. The list of authorities or regulatory organizations with which the SFC has signed an MOU/co-operative arrangement, and which have been published in the Gazette, is annexed for Members' information. The SFC as a matter of policy publicizes the entering into of an MOU/co-operative arrangement. Arrangements are being made to posting on the SFC website the list of authorities or regulatory organizations for easy reference.

Financial Services Bureau  
4 May 2001

**List of authorities or regulatory organizations outside Hong Kong  
with which SFC has concluded MOUs/co-operative arrangements**

<b>Serial No.</b>	<b>Domicile jurisdiction</b>	<b>Authorities/Regulatory Organizations (Note)</b>	<b>Scope of MOU/ co-operative arrangement</b>
1	Australia	Australian Securities and Investments Commission	Investigatory assistance and exchange of information
2	Bermuda	Bermuda Monetary Authority	Exchange of information
3	Brazil	Comissao de Valores Mobiliarios	Exchange of information
4	Canada	British Columbia Securities Commission	Investigatory assistance and exchange of information
5	Canada	Ontario Securities Commission	Investigatory assistance and exchange of information
6	Canada	Commission des Valeurs Mobilières du Québec	Exchange of information
7	Canada	Winnipeg Commodity Exchange	Exchange of information
8	Mainland China	China Securities Regulatory Commission Shanghai Securities Exchange Shenzhen Stock Exchange	Exchange of information
9	Mainland China	People's Bank of China	Exchange of information
10	Chinese Taipei	Securities and Futures Commission	Exchange of information
11	Cyprus	Central Bank of Cyprus	Exchange of information
12	France	Commisson des Operations de Bourse	Investigatory assistance and exchange of information
13	Germany	Bundesaufsichtsamt für den Wertpapierhandel	Investigatory assistance and exchange of information
14	Guernsey	Financial Services Commission	Exchange of information
15	Indonesia	Capital Market Supervisory Agency	Exchange of information
16	Ireland	Central Bank of Ireland	Exchange of information
17	Isle of Man	Financial Supervision Commission	Exchange of information
18	Italy	Commissione Nazionale per le Società e la Borsa	Investigatory assistance and exchange of information
19	Luxembourg	Commission de Surveillance du Secteur Financier	Exchange of information
20	Macau SAR	Monetary Authority of Macau	Exchange of information

<b>Serial No.</b>	<b>Domicile jurisdiction</b>	<b>Authorities/Regulatory Organizations (Note)</b>	<b>Scope of MOU/ co-operative arrangement</b>
21	Malaysia	Malaysian Securities Commission	Investigatory assistance and exchange of information
22	The Netherlands	Securities Board of the Netherlands	Exchange of information
23	New Zealand	Securities Commission	Investigatory assistance and exchange of information
24	Portugal	Comissão do Mercado de Valores Mobiliários	Investigatory assistance and exchange of information
25	Singapore	Monetary Authority of Singapore	Investigatory assistance and exchange of information
26	South Africa	Financial Services Board	Exchange of information
27	Spain	Comisión Nacional del Mecardo de Valores	Investigatory assistance and exchange of information
28	Sweden	Finansinspektionen	Exchange of information
29	Switzerland	Swiss Federal Banking Commission	Investigatory assistance and exchange of information
30	Thailand	Securities and Exchange Commission	Exchange of information
31	United Kingdom	Her Majesty's Treasury Financial Services Authority	Investigatory assistance and exchange of information
32	United Kingdom	Financial Intermediaries, Managers and Brokers Regulatory Association  Investment Management Regulatory Authority Securities and Futures Authority Personal Investment Authority	Exchange of information
33	United Kingdom	Bank of England	Exchange of information
34	USA	Commodity Futures Trading Commission	Investigatory assistance and exchange of information
35	USA	Securities and Exchange Commission	Investigatory assistance and exchange of information

**Note :** Gazettal of name of authorities or regulatory organizations outside Hong Kong for SFC to exchange information and to provide investigatory assistance is required under sections 59(2A) and 59A(4) respectively of the Securities and Futures Commission Ordinance. The gazettal arrangement will continue under clauses 366(6) and 179(5) respectively of the Securities and Futures Bill.