

# HKMA Liquidity Facilities Framework for banks

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) announced today (August 26) that it has completed a review of its framework for the provision of Hong Kong dollar liquidity to banks (Note).

A new Resolution Facility is introduced and a number of refinements have been made to various established arrangements within an updated Liquidity Facilities Framework.

A key objective of the review, which was started in 2018 following the commencement of the Financial Institutions (Resolution) Ordinance, is to ensure that the HKMA's Liquidity Facilities Framework can support Hong Kong's resolution regime.

"The updated Liquidity Facilities Framework makes operational an important part of the resolution regime in Hong Kong and takes forward a key recommendation of the Financial Stability Board's 2018 Peer Review of Hong Kong. The framework outlines the facilities that are already in place, as well as the newly introduced Resolution Facility, in a systematic way so as to foster a better understanding of the different ways that liquidity may be made available to banks by the HKMA. This is part of our ongoing work to maintain the integrity and stability of the monetary and financial systems of Hong Kong," said the Chief Executive of the HKMA, Mr Norman Chan.

The [Liquidity Facilities Framework](#) can be found on the HKMA website.

Note: "Banks" refers to licensed banks, restricted licence banks and deposit-taking companies.