



## Message from the Chairman

I am delighted to report that 2023 has been an exceptionally fruitful year for the Hong Kong Deposit Protection Board (the Board), as we completed the public consultation on a package of proposals to enhance the Deposit Protection Scheme (DPS) arising from a comprehensive review of the DPS. These enhancements, which include, among others, raising the protection limit from the current level of HK\$500,000 to HK\$800,000, are set to bring significant benefits to depositors in Hong Kong.

The proposal of raising the protection limit drew wide attention from the public during our three-month public consultation exercise from July to October 2023, and we received broad support for raising the protection limit to HK\$800,000. In particular, a public opinion survey commissioned by the Board during the consultation period revealed that around 80% of respondents supported this proposal. This positive response recognised the fact that the proposed increase to the existing limit will translate into around 20% growth in the real value of deposit protection after taking into account inflation, and will provide full deposit coverage for over 92% of depositors, in alignment with international standards.

Putting the enhancement proposals into effect requires amendments to the DPS legislation. Having been working closely with the Government on the relevant legislative exercise, we are much gratified to report that with the passage of the DPS (Amendment) Bill 2024 by the Legislative Council on 3 July 2024, the enhancement measures will be implemented in two phases.

The first phase, covering the enhanced deposit protection limit of HK\$800,000, the refined levy system and the streamlined negative disclosure arrangements for private banking customers, will take effect on 1 October 2024. The rest of the enhancement measures, including enhanced deposit protection in the event of a bank merger or acquisition and the new requirement to display the DPS Membership Sign on electronic banking platforms, will be effective on 1 January 2025. The changes will be accompanied by updates to industry guidance as well as to the payout system and procedures, along with a series of advertising campaigns to publicise the enhancements to the DPS and explain their significance to depositors.

Parallel to our work on enhancing the DPS in 2023, we undertook our usual promotional activities to raise general awareness and understanding of the Scheme amongst the public, another key pillar of our mission. Our multimedia advertising



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campaign “Keep Calm and Deposit Safely On”, which emphasises the Board’s vital role as Hong Kong’s “Guardian of Deposits”, continued to reach wide audiences. Light-hearted promotional videos were produced under the themes “Money-Saving Challenge for Athletes”, and “Family Interviews”, attracting many viewers. We also launched a DPS Instagram fanpage featuring our popular DPS publicity ambassadors Ah Chuen and Ah Po. This new platform hosted lively and entertaining campaigns such as “IG Story – My Piggy Bank” and “DPS Post Box”, designed to foster money management skills and good saving habits among young people.

As always, we made special efforts to reach target audiences who may be less familiar with the DPS, including DPS talks for the elderly and ethnic minorities, as well as board game workshops and financial education talks for students. Our PR campaign “DPS ArtLab” held at the Central Market proved popular with young people, and we also promoted the DPS at several popular high-traffic consumer events, such as the Hong Kong Book Fair.

Over the years, these and other multimedia advertising campaigns, social media promotions and community educational activities have proved highly effective in building and maintaining a high level of public awareness of the DPS. The DPS public consultation in 2023 also generated widespread media coverage. As a result, our most recent annual opinion survey indicated that public awareness of the DPS reached 80.5% in 2023, a historic high since the survey began in 2006. The survey also revealed that overall public understanding of and confidence in the DPS remained strong.

Entering its sixth year, the “Hongkongers’ Sense of Security on Savings” survey continued to attract wide media coverage. The survey revealed that the average monthly savings of Hong Kong people in 2023 rose by 17% over the year, from HK\$7,700 in 2022 to HK\$9,000, a record high. At the same

time, survey respondents reported a notable improvement in their “sense of security” in savings.

As part of our regular work, the Board conducted another payout rehearsal in November 2023 to ensure that the payout target of seven days could be met should a payout-triggering event occur. The rehearsal ran smoothly, and confirmed that electronic payment methods can further shorten the payout timeframe. In 2024, we will continue to conduct regular training exercises and drills to keep payout agents well-prepared for any potential payout situation.

The global landscape of deposit insurance is evolving very quickly. This is why the Board intends to expedite the timeline for conducting the next review of the DPS, which will be launched just three years after the new protection limit is implemented. We believe this is a prudent step to ensure that the interests of depositors in Hong Kong continue to be safeguarded effectively in a fast-changing world.

I would like to conclude by thanking all Board Members for their valuable advice and support in the course of developing and finalising the proposals for enhancements to the DPS. Special thanks are due to Ms Helen Zee, who retired from the Board during the year, for her hard work and contributions throughout her tenure. It has indeed been a fruitful year for the Board, and I look forward to the smooth implementation of the DPS enhancement measures in the year ahead. These measures represent a major milestone in the development of the Scheme, and will strengthen banking stability in Hong Kong.

**Ms Connie Lau Yin-hing, SBS, JP**  
Chairman  
Hong Kong Deposit Protection Board