
MEMORANDUM OF UNDERSTANDING

BETWEEN

**THE INDEPENDENT COMMISSION AGAINST CORRUPTION OF THE
HONG KONG SPECIAL ADMINISTRATIVE REGION**

AND

THE INSURANCE AUTHORITY

26 October 2023

1. Background

- 1.1 This Memorandum of Understanding (“**MoU**”) sets out the framework for cooperation and collaboration between the Independent Commission Against Corruption (“**ICAC**”) and the Insurance Authority (“**IA**”) (each referred to as a “**party**”, together as “**parties**”) in the performance of their respective enforcement and regulatory functions (“**Functions**”).
- 1.2 This MoU supersedes any previous arrangements between the ICAC and the IA on the same matters.

2. Functions of the Parties

- 2.1 The ICAC was established under the Independent Commission Against Corruption Ordinance, Cap. 204 (“**ICACO**”) as an independent anti-corruption agency accountable directly to the Chief Executive of Hong Kong. It is the statutory duty of the ICAC to, among other things, investigate corrupt practices and offences under ICACO, Prevention of Bribery Ordinance, Cap. 201 and Elections (Corrupt and Illegal Conduct) Ordinance, Cap. 554.
- 2.2 Pursuant to the general duties and powers as set out primarily in the above-mentioned Ordinances, the ICAC is committed to fighting corruption through effective law enforcement, education and prevention to help keep Hong Kong fair, just, stable and prosperous.
- 2.3 The IA was established under the Insurance Ordinance (Cap. 41) (“**IO**”). It has responsibilities under IO, and the rules and regulations made thereunder, to regulate and supervise the insurance industry for the promotion of the general stability of the insurance industry and for the protection of existing and potential policy holders. It is responsible for, among other things, supervising authorized insurers’ and licensed insurance intermediaries’ compliance with the provisions of the IO, and regulating the conduct of insurance intermediaries through a licensing regime. It also has certain responsibilities under the Anti-Money Laundering and Counter- Terrorist Financing Ordinance (Cap. 615), the

Financial Institutions (Resolution) Ordinance (Cap. 628) and the Mandatory Provident Fund Schemes Ordinance (Cap. 485).

3. Purpose and Principles

3.1 The Hong Kong Special Administrative Region is a major international financial centre. It is important to maintain the integrity of the Hong Kong insurance market. The parties have a mutual interest and respective duties in combating corruption, crimes and/or illicit activities relating to the insurance industry in Hong Kong. The parties recognize the need for the fullest cooperation and collaboration in order to perform their Functions effectively.

3.2 The parties acknowledge the following overriding principles:

- the parties will use their best endeavours to meet the terms of this MoU;
- this MoU does not modify or supersede any laws or regulations;
- this MoU does not amount to a delegation of any of the powers, duties or obligations of the parties;
- this MoU does not create, directly or indirectly, any legal rights, obligations or liabilities, enforceable by the parties or any other person;
- if a matter is not dealt with explicitly in this MoU, the parties agree to work together to resolve it quickly in accordance with the principles of cooperation and collaboration; and
- this MoU does not affect any arrangements under any other MoU that the parties have entered into or may enter into with any other person.

Guidance on Cooperation and Collaboration between the Parties

4. Referral of Cases

4.1 In the discharge of its duties, each party will actively consider whether it should refer matters to the other party for possible action, having regard to the other party's Functions.

- 4.2 The ICAC may make a referral to the IA for evaluation of possible action where it considers that:
- (a) a matter falls outside the Functions of the ICAC (see paragraphs 2.1 and 2.2) but may fall within the Functions of the IA under the laws administered by the IA (see paragraph 2.3); or
 - (b) a matter falls within the Functions of the ICAC but also contains elements which may fall within the Functions of the IA.
- 4.3 The IA may make a referral to the ICAC for evaluation of possible action where it considers that:
- (a) a matter falls outside the Functions of the IA under the laws administered by the IA (see paragraph 2.3) but may fall within the Functions of the ICAC (see paragraphs 2.1 and 2.2); or
 - (b) a matter falls within the Functions of IA but also contains elements which may fall within the Functions of the ICAC.

5. Joint Investigations

- 5.1 If a case falls within the Functions of both parties, the parties may agree to commence a joint investigation in order to minimize the duplication of effort, and enhance the efficient use of their respective resources as well as the effectiveness of the investigation.
- 5.2 Once the parties have commenced a joint investigation, they will set up a joint task force and decide on its membership to ensure efficient and timely exchange of information and coordination. The joint investigation task force will convene an initial coordination meeting as soon as practicable to formulate investigation plans, determine investigatory responsibilities and coordinate the collection of evidence. The joint investigation task force will also convene meetings at agreed regular intervals to review the progress of the joint investigation and discuss the action to be taken during or at the conclusion of the joint investigation.

6. Early Involvement of the Department of Justice

- 6.1 When there is a joint investigation or a parallel investigation on the same subject matter, the parties will consider whether to consult the Department of Justice at an early stage about whether only one party should continue with the criminal investigation or each party should focus on particular suspected offences.

7. Exchange and Use of Information

- 7.1 The parties will exchange information which is conducive to the objectives of this MoU and which may assist the other party in discharging its Functions. For this purpose the parties may conduct ad hoc meetings to discuss matters of mutual interest relating to the performance of their respective Functions.

- 7.2 Each party will provide the other party with information subject to and only in accordance with applicable laws (particularly the Personal Data (Privacy) Ordinance, Cap. 486). Each party will treat any non-public information provided by the other party as confidential and only use it in accordance with applicable laws and this MoU. Except as otherwise required or permitted by law, a party that receives information under this MoU will not disclose it to a third party without the prior written consent of the party providing the information.

- 7.3 Each party will establish and maintain such safeguards as are necessary and appropriate to protect the confidentiality of such information.

8. Investigative Assistance

- 8.1 If the ICAC reasonably believes that it is necessary to have the opinion of a market expert during the conduct of its investigation, it may request the IA to assist. The IA will offer assistance subject to the availability of its in-house market experts or will recommend potential independent experts who may be available to assist the ICAC.

8.2 Each party will consider requests from the other party for investigative assistance not otherwise specified in paragraph 8.1 on a case-by-case basis.

9. Communication and Media Strategy

9.1 The parties will hold liaison meetings every six months or at intervals to be agreed between the parties and ad hoc meetings, where necessary, to discuss cases of mutual interest, any proposed legislative and/or policy changes that may affect the Functions of each party as well as the implementation of this MoU.

9.2 Prior to the publication of any information, such as media releases concerning any joint investigations, the parties will consult each other and ensure that the timing and contents of the media releases are coordinated.

10. Capacity Building

10.1 The parties intend to coordinate their training initiatives and organize joint training opportunities to improve the capacity and effectiveness of their staff in performing their respective Functions.

11. Designated Principal Contacts

11.1 Each party will send any request or communication relating to policies or high level inter-organizational relationship matters to one of the designated principal contacts of the other party whose contact details are set out in Appendix A.

11.2 Each party will send any request or communication relating to a specific case and any other routine matter to the designated secondary contacts of the other party whose contact details are set out in Appendix B.

11.3 The parties may add to and/or change their respective designated principal or secondary contacts from time to time by notifying each other in writing.

12. Effective Date and Termination

12.1 This MoU shall take effect on 26 October 2023.

12.2 This MoU may be amended or terminated at any time in writing by both parties.

Dated 26 October 2023

Mr YAU Shu-chun
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and Head of Operations
for and on behalf of the Independent
Commission Against
Corruption

Mr Clement CHEUNG
Chief Executive Officer
for and on behalf of the
Insurance Authority