

Press Release

20 March 2024

AFRC welcomes the passage of the Safeguarding National Security Bill

The Accounting and Financial Reporting Council (**AFRC**) welcomes the passage of the Safeguarding National Security Bill by the Legislative Council in fulfilment of Hong Kong's constitutional duty under Article 23 of the Basic Law.

Under the principle of "One Country, Two Systems", safeguarding national security is fundamental to Hong Kong's success as an international financial centre as it promotes economic and financial stability and security and better protects the fundamental rights and freedoms of HKSAR residents and others including their rights of ownership of property and investments in Hong Kong.

The new legislation provides a legal framework and enforcement mechanism for the enhancement of national security and will facilitate the work of financial regulators including the AFRC in enabling more effective regulation and ensuring compliance, and in creating a stable environment for the further development of Hong Kong's economy and financial markets.

Under the new legislation, rights and freedoms enjoyed under the Basic Law, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights, and the free of information, including financial information, will continue to be respected and protected. The AFRC will continue to play a pivotal role in maintaining the integrity of financial reporting and collaborating with international regulators in the exchange of information.

The AFRC fully supports the implementation of the new legislation. In the performance of its statutory functions, the AFRC will, as provided under the new legislation, have due regard to its function in relation to safeguarding national security and continue to play its important part as the independent regulator of the accounting profession in Hong Kong in promoting the financial stability and prosperity of Hong Kong as an international financial centre.

End

About the Accounting and Financial Reporting Council

The Accounting and Financial Reporting Council (AFRC) is an independent body established under the Accounting and Financial Reporting Council Ordinance. As an independent regulator, AFRC spearheads and leads the accounting profession to constantly raise the level of quality of professional accountants, and thus protects the public interest.

For more information about the statutory functions of the AFRC, please visit www.afrc.org.hk.

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