

立法會
Legislative Council

LC Paper No. CB(1) 342/01-02
(These minutes have been seen
by the Administration)

Ref : CB1/BC/9/00/2

Bills Committee on Banking (Amendment) Bill 2001

**Minutes of third meeting held on
Thursday, 8 November 2001, at 10:45 am
in Conference Room A of the Legislative Council Building**

Members present : Hon Jasper TSANG Yok-sing, JP (Chairman)
Dr Hon David LI Kwok-po, GBS, JP
Hon NG Leung-sing, JP
Hon Bernard CHAN
Hon SIN Chung-kai
Hon Ambrose LAU Hon-chuen, GBS, JP
Hon Henry WU King-cheong, BBS

Member absent : Hon Eric LI Ka-cheung, JP

Public officers attending : Financial Services Bureau
Miss Clara TANG
Principal Assistant Secretary (Banking and Monetary)
Hong Kong Monetary Authority
Mr Simon TOPPING
Executive Director (Banking Policy)
Mr Edmond LAU
Head (Banking Development)

Department of Justice

Mr Geoffrey FOX
Senior Assistant Law Draftsman

Ms Mable CHEUNG
Government Counsel

Clerk in attendance : Miss Becky YU
Chief Assistant Secretary (1)1

Staff in attendance : Mr KAU Kin-wah
Assistant Legal Adviser 6

Mrs Mary TANG
Senior Assistant Secretary (1)2

I Confirmation of minutes of meeting
(LC Paper No. CB(1) 175/01-02)

The minutes of the meeting held on 19 October 2001 were confirmed.

II Meeting with the Administration
(The Bill

The Legislative Council Brief (Ref: G4/16/21C)

LC Paper No. LS 76/00-01 -- Legal Service Division report

LC Paper No. LS 89/00-01 -- Legal Service Division further report

LC Paper No. CB(1) 78/01-02(01) -- Marked-up copy of the Bill

LC Paper No. CB(1) 78/01-02(02) -- Extracts from the minutes of the meeting of the Financial Affairs Panel held on 4 December 2000

LC Paper No. CB(1) 78/01-02(03) -- Information paper provided by the Administration

LC Paper No. CB(1) 236/01-02(01) -- List of follow-up actions arising from the discussion on 19 October 2001

LC Paper No. CB(1) 236/01-02(02) -- Administration's response to CB(1) 236/01-02(01))

2. The Bills Committee deliberated (Index of proceedings attached at **Annex A**).

3. The Administration was requested -
 - (a) to provide information on the anticipated decrease in number of managers who would be captured under the functional approach of the Bill as opposed to the prevailing hierarchy approach once available; and
 - (b) to introduce a Committee Stage amendment to section 72B of the Banking Ordinance to require authorized institutions to notify their managers whose names would be included in the list of managers to be submitted to the Monetary Authority.
4. There being no other business, the meeting ended at 12:40 pm.

Legislative Council Secretariat
19 November 2001

**Proceedings of the meeting of the
Bills Committee on Banking (Amendment) Bill 2001
on Thursday, 8 November 2001, at 10:45 am
in Conference Room A of the Legislative Council Building**

Time	Speaker	Subject(s)	Action required
00:00 - 03:10	Chairman	Confirmation of minutes of the meeting on 19 October 2001 and clause-by-clause examination of the Bill (English version)	
03:11 - 04:30	ALA6	definition of manager	
04:31 - 07:33	Chairman	Clause 1 Clause 2 “advertisement”	
07:34 - 08:00	Mr SIN Chung-kai	-ditto-	
08:01 - 08:49	Admin	-ditto-	
08:50 - 08:59	Mr SIN Chung-kai	-ditto-	
09:00 - 10:17	Chairman	-ditto-	
10:18 - 11:02	ALA6	-ditto-	
11:03 - 11:06	Chairman	“local branch”	
11:07 - 12:05	Admin	-ditto-	
12:06 - 12:09	Chairman	-ditto-	
12:10 - 12:12	Admin	-ditto-	
12:13 - 12:13	Chairman	-ditto-	
12:14 - 12:57	ALA6	-ditto-	
12:58 - 13:00	Chairman	-ditto-	
13:01 - 13:19	Admin	-ditto-	
13:20 - 13:50	Chairman	“manager”	
13:51 - 16:51	ALA6	“manager”-strict liability	
16:52 - 16:57	Chairman	-ditto-	
16:58 - 19:01	Admin	-ditto-	
19:02 - 19:05	Chairman	-ditto-	
19:06 - 20:19	Admin	-ditto-	

20:20 - 20:23	Chairman	-ditto-	
20:24 - 21:28	Mr SIN Chung-kai	“manager”-number captured by the Bill	to be Administration was requested to provide information on the number of managers to be captured by the Bill
21:29 - 21:31	Chairman	-ditto-	
21:32 - 22:44	Admin	-ditto-	
22:45 - 22:58	Chairman	-ditto-	
22:59 - 23:23	Admin	“manager”-notification arrangement	
23:24 - 23:24	Chairman	-ditto-	
23:25 - 23:58	Mr SIN Chung-kai	-ditto-	
23:59 - 24:01	Chairman	-ditto-	
24:02 - 24:47	Admin	-ditto-	
24:48 - 24:58	Mr SIN Chung-kai	-ditto-	
24:59 - 25:24	Admin	-ditto-	
25:25 - 25:27	Chairman	-ditto-	
25:28 - 26:52	Mr Bernard CHAN	“manager”- functional hierarchy approach	vs
26:53 - 27:06	Chairman	-ditto-	
27:07 - 27:55	Mr Bernard CHAN	-ditto-	
27:56 - 28:00	Chairman	-ditto-	
28:01 - 29:34	Admin	-ditto-	
29:35 - 29:40	Chairman	-ditto-	
29:41 - 29:58	Mr Bernard CHAN	-ditto-	
29:59 - 30:02	Chairman	-ditto-	
30:03 - 31:00	Mr NG Leung-sing	-ditto-	
31:01 - 31:07	Chairman	-ditto-	
31:08 - 31:13	Mr NG Leung-sing	-ditto-	
31:14 - 31:21	Chairman	-ditto-	
31:22 - 32:05	Admin	-ditto-	
32:06 - 32:08	Chairman	-ditto-	
32:09 - 34:05	Mr SIN Chung-kai	-ditto-	

34:06 - 34:53	Chairman	-ditto-	
34:54 - 35:35	Mr SIN Chung-kai	-ditto-	
35:36 - 35:37	Chairman	-ditto-	
35:38 - 37:19	Admin	-ditto-	
37:20 - 37:22	Chairman	-ditto-	
37:23 - 37:24	Mr SIN Chung-kai	-ditto-	
37:25 - 40:05	Mr Henry WU	“manager”-title	
40:06 - 40:09	Chairman	-ditto-	
40:10 - 40:57	Admin	-ditto-	
40:58 - 41:24	Mr Henry WU	-ditto-	
41:25 - 41:29	Chairman	-ditto-	
41:30 - 41:54	Mr Henry WU	-ditto-	
41:55 - 41:57	Chairman	-ditto-	
41:58 - 42:05	Mr SIN Chung-kai	“manager” or “senior officer”	
42:06 - 42:07	Chairman	-ditto-	
42:08 - 42:33	Mr SIN Chung-kai	-ditto-	
42:34 - 42:35	Chairman	-ditto-	
42:36 - 43:38	Admin	-ditto-	
43:39 - 43:49	Mr LI Kwok-po	“manager” or “officer-in-charge”	
43:50 - 43:55	Admin	-ditto-	
43:56 - 43:58	Chairman	-ditto-	
43:59 - 45:10	Admin	-ditto-	
45:11 - 45:13	Chairman	-ditto-	
45:14 - 46:04	Mr Bernard CHAN	-ditto-	
46:05 - 46:22	Chairman	-ditto-	
46:23 - 46:35	Mr NG Leung-sing	-ditto-	
46:36 - 48:25	Admin	-ditto-	
48:26 - 48:27	Chairman	-ditto-	
48:28 - 49:15	Mr Henry WU	-ditto-	
49:16 - 49:34	Chairman	-ditto-	
49:35 - 49:39	Mr SIN Chung-kai	Clause 29-Fourteenth Schedule	
49:40 - 49:49	Chairman	-ditto-	

49:50 - 50:21	Mr SIN Chung-kai	“manager”-notification requirement	
50:22 - 50:24	Chairman	-ditto-	
50:25 - 51:57	Admin	-ditto-	
51:58 - 51:58	Chairman	-ditto-	
51:59 - 52:31	Mr SIN Chung-kai	-ditto-	
52:32 - 52:38	Chairman	-ditto-	
52:39 - 52:56	Mr SIN Chung-kai	-ditto-	
52:57 - 53:00	Chairman	-ditto-	
53:01 - 54:46	Admin	-ditto-	
54:47 - 54:49	Chairman	-ditto-	
54:50 - 55:19	Admin	-ditto-	
55:20 - 55:22	Chairman	-ditto-	
55:23 - 56:32	Mr SIN Chung-kai	-ditto-	
56:33 - 56:51	Chairman	-ditto-	
56:52 - 57:42	Admin	-ditto-	
57:43 - 57:54	Chairman	-ditto-	
57:55 - 58:16	Admin	-ditto-	
58:17 - 58:20	Chairman	-ditto-	
58:21 - 58:41	Admin	-ditto-	
58:42 - 59:09	ALA6	“manager”-strict liability	
59:10 - 01:03:12	Admin	Issue of guidelines under section 16(10) of the Banking Ordinance (BO)	
01:03:13 - 01:03:23	Chairman	-ditto-	
01:03:24 - 01:04:30	Admin	“manager”-strict liability	
01:04:31 - 01:04:33	Chairman	-ditto-	
01:04:34 - 01:05:54	ALA6	-ditto-	

01:05:55 - 01:06:27	Admin	Amendment to section 72B of BO	
01:06:28 - 01:06:29	Chairman	-ditto-	
01:06:30 - 01:07:25	Mr Henry WU	-ditto-	
01:07:26 - 01:07:27	Chairman	-ditto-	
01:07:28 - 01:07:45	Mr Henry WU	-ditto-	
01:07:46 - 01:09:06	Admin	-ditto-	
01:09:07 - 01:09:07	Chairman	-ditto-	
01:09:08 - 01:09:41	Mr Henry WU	-ditto-	
01:09:42 - 01:09:44	Chairman	-ditto-	
01:09:45 - 01:10:07	Admin	-ditto-	
01:10:08 - 01:11:07	Mr SIN Chung-kai	-ditto-	
01:11:08 - 01:11:08	Chairman	-ditto-	
01:11:09 - 01:11:43	Admin	-ditto-	Administration was requested to introduce Committee Stage Amendments to section 72B of BO
01:11:44 - 01:11:46	Chairman	-ditto-	
01:11:47 - 01:11:52	Mr SIN Chung-kai	-ditto-	
01:11:53 - 01:11:56	Chairman	-ditto-	
01:11:57 - 01:13:12	Mr NG Leung-sing	Appointment of managers	
01:13:13 - 01:13:16	Chairman	-ditto-	
01:13:17 - 01:13:25	Mr NG Leung-sing	-ditto-	
01:13:26 - 01:13:34	Chairman	-ditto-	
01:13:35 - 01:15:15	Admin	-ditto-	
01:15:16 - 01:19:52	Chairman	Fourteenth Schedule	
01:19:53 - 01: 20:10	Admin	-ditto-	
01:20:11 - 01:21:09	Chairman	“invitation”	
01:21:10 - 01:21:55	Admin	-ditto-	
01:21:56 - 01:22:04	Chairman	“local office”	
01:22:05 - 01:22:47	Admin	-ditto-	

01:22:48 - 01:23:37	Chairman	“public”	
01:23:38 - 01:23:42	Admin	-ditto-	
01:23:43 - 01:25:58	Chairman	“require”	
01:25:59 - 01:27:47	Admin	-ditto-	
01:27:48 - 01:27:50	Chairman	Clause 3 and 4	
01:27:51 - 01:27:53	Admin	-ditto-	
01:27:54 - 01:29:24	Chairman	Clause 5	
01:29:25 - 01:29:58	Mr SIN Chung-kai	-ditto-	
01:29:59 - 01:31:15	Admin	-ditto-	
01:31:16 - 01:31:48	Mr SIN Chung-kai	-ditto-	
01:31:49 - 01:31:51	Chairman	Clause 6	
01:31:52 - 01:33:23	Admin	-ditto-	
01:33:24 - 01:33:36	Chairman	Clause 7	
01:33:37 - 01:33:49	Admin	-ditto-	
01:33:50 - 01:33:54	Chairman	Clause 8 and 9	
01:33:55 - 01:34:31	Mr Henry WU	-ditto-	
01:34:32 - 01:34:35	Chairman	Clause 10 to 15	
01:34:36 - 01:35:13	Admin	Clause 15	
01:35:14 - 01:35:24	Chairman	Clause 16	
01:35:25 - 01:35:27	Admin	-ditto-	
01:35:28 - 01:35:28	Chairman	-ditto-	
01:35:29 - 01:35:34	Admin	-ditto-	
01:35:35 - 01:35:42	Mr SIN Chung-kai	-ditto-	
01:35:43 - 01:36:11	Admin	-ditto-	
01:36:12 - 01:36:32	Mr Henry WU	Definition of the Hong Kong Monetary Authority (HKMA)	
01:36:33 - 01:36:37	Chairman	-ditto-	
01:36:38 - 01:37:23	Admin	-ditto-	
01:37:24 - 01:37:25	Chairman	-ditto-	
01:37:26 - 01:39:42	Mr NG Leung-sing	-ditto-	
01:39:43 - 01:39:45	Chairman	-ditto-	

01:39:46 - 01:39:58	Mr NG Leung-sing	Timeframe for consent by HKMA for appointment of chief executives and directors under section 71 of BO	
01:39:59 - 01:42:19	Admin	-ditto-	
01:42:20 - 01:42:31	Chairman	-ditto-	
01:42:32 - 01:42:37	Mr SIN Chung-kai	-ditto-	
01:42:38 - 01:42:43	Admin	-ditto-	
01:42:44 - 01:43:02	Chairman	Clause 17	
01:43:03 - 01:43:04	Admin	-ditto-	
01:43:05 - 01:44:08	Chairman	Clause 18 and 19	
01:44:09 - 01:44:42	Mr SIN Chung-kai	Clause 19	
01:44:43 - 01:44:43	Chairman	-ditto-	
01:44:44 - 01:47:17	Admin	-ditto-	
01:47:18 - 01:47:21	Chairman	-ditto-	
01:47:22 - 01:48:07	Mr SIN Chung-kai	-ditto-	
01:48:08 - 01:49:37	Admin	-ditto-	
01:49:38 - 01:50:00	Chairman	-ditto-	
01:50:01 - 01:50:11	Mr SIN Chung-kai	-ditto-	
01:50:12 - 01:50:42	Chairman	Date of next meeting	
01:50:43 - 01:51:46	Mr SIN Chung-kai	-ditto-	
01:51:47 - 01:52:01	Chairman	-ditto-	
01:52:02 - 01:52:14	Mr NG Leung-sing	-ditto-	
01:52:15 - 01:52:23	Chairman	-ditto-	
01:52:24 - 01:52:26	Mr Henry WU	-ditto-	
01:52:27 - 01:52:34	Chairman	-ditto-	

Note: The audio records of the above proceedings are kept at the LegCo Library