

**Panel on Financial Affairs**

**List of outstanding items for discussion**

(Position as at 3 March 2005)

**Proposed timing for  
discussion at Panel  
meeting**

**1. Briefing on the proposal to provide exemption for offshore funds**

The Administration will brief the Panel on proposed amendments to the Inland Revenue Ordinance for implementing the proposal to exempt offshore funds from profits tax.

4 April 2005

The Administration plans to introduce the relevant bill into LegCo in June 2005.

**2. Briefing on the draft Securities and Futures (Amendment) (No. 2) Bill 2005**

The Administration will brief members on the proposed amendments to the Securities and Futures Ordinance, including the proposal to give statutory backing to major listing requirements, and other miscellaneous amendments.

4 April 2005

The Administration plans to introduce the Bill into LegCo in June 2005.

**3. Overall economic development of Hong Kong**

The Panel has invited the Financial Secretary (FS) to brief the Panel and all other LegCo Members on macro economic issues on a periodic basis since mid-1999. The briefings are normally held in June and December each year.

6 June 2005

**Proposed timing for discussion at Panel meeting**

**4. Briefing on the work of the Hong Kong Monetary Authority**

The Chief Executive of the Hong Kong Monetary Authority (CE/HKMA) briefs the Panel on the work of HKMA on a regular basis. The briefings are normally held in February, May and November each year.

6 May 2005

**5. Briefing on the draft Companies (Amendment) Bill 2005**

The Administration will brief members on the proposed amendments to the Companies Ordinance (CO) to enable the introduction of a scripless securities market so as to allow securities to be issued and transferred electronically.

To be confirmed

The Administration plans to introduce the Companies (Amendment) Bill 2005 into LegCo in May 2005.

**6. Consultancy study on the feasibility of establishing insurance Policyholders' Protection Funds in Hong Kong**

The Administration will update the Panel on the results of the public consultation and latest developments on the proposal to establish insurance Policyholders' Protection Funds in Hong Kong.

6 May 2005  
(tentative)

**7. Progress on the implementation of the Deposit Protection Scheme**

The Administration will report on the progress in relation to the implementation of the Deposit Protection Scheme, including the formation of the Hong Kong Deposit Protection Board and the Deposit Protection Appeals Tribunal, as well as the development of the policies and procedures relating to contribution and payout, etc.

6 June 2005  
(tentative)

**Proposed timing for discussion at Panel meeting**

**8. Consultancy study on the supervisory framework of the assets of long term insurers in Hong Kong**

The Administration will brief the Panel on the background, initial findings of the consultancy study and the proposed timetable for public consultation on the study.

6 June 2005  
(tentative)

**9. Comprehensive review of the Companies Ordinance**

At the request of the Panel, the Administration briefed members at the Panel meeting on 5 July 2004 on the progress of the overall review of the CO and the timeframe for the rewrite exercise. Members noted that the Administration intended to commence work in 2005 and issue the White Bill for consultation in 2007. It was expected that the new legislation might be in place in 2010. Members agreed that the Panel should continue to monitor progress of the rewrite exercise.

4 July 2005  
(tentative)

The Administration will report on the progress of the overall review on the CO. The Administration plans to submit the financial proposal relating to the review exercise to the Establishment Subcommittee and the Finance Committee in due course.

**10. Proposed measures to address risks arising from securities margin financing**

At the Panel meeting held on 17 December 2004, the Securities and Futures Commission (SFC) reported on the progress of the public consultation on proposed measures to address risk arising from securities margin financing. Members noted that SFC would continue discussions with the brokerage industry to identify appropriate measures to address the risks involved. Members requested the Administration and SFC to report the progress to the Panel in a year's time. The progress report should cover the proposed concrete timetable for achieving complete segregation of collateral of borrowing and non-borrowing clients.

To be confirmed

Council Business Division 1  
Legislative Council Secretariat  
3 March 2005