

立法會
Legislative Council

LC Paper No. CB(1)1847/09-10

(These minutes have been seen
by the Administration)

Ref : CB1/PL/FA/1

Panel on Financial Affairs

Minutes of meeting
held on Thursday, 8 April 2010 at 2:30 pm
in Conference Room A of the Legislative Council Building

- Members present** : Hon CHAN Kam-lam, SBS, JP (Chairman)
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Dr Hon David LI Kwok-po, GBM, GBS, JP
Dr Hon Philip WONG Yu-hong, GBS
Hon Emily LAU Wai-hing, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon Vincent FANG kang, SBS, JP
Hon Jeffrey LAM Kin-fung, SBS, JP
Hon Andrew LEUNG Kwan-yuen, SBS, JP
Hon WONG Ting-kwong, BBS, JP
Hon CHIM Pui-chung
Hon KAM Nai-wai, MH
Dr Hon LAM Tai-fai, BBS, JP
Hon CHAN Kin-por, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
- Members absent** : Hon Ronny TONG Ka-wah, SC (Deputy Chairman)
Hon James TO Kun-sun
Hon Starry LEE Wai-king
Hon Paul CHAN Mo-po, MH, JP
- Public officers attending** : Agenda Item IV and V
Ms Selene TSOI
Principal Assistant Secretary for
Financial Services and the Treasury (Financial Services)

Agenda Item V

Mr John LEUNG, JP
Deputy Secretary for
Financial Services and the Treasury (Financial Services)3

Ms Ada CHUNG, JP
Registrar of Companies

Agenda Item VI

Mr CHENG Yan-chee, JP
Deputy Secretary for
Financial Services and the Treasury (Financial Services)1

Mr Peter PANG, JP
Deputy Chief Executive
Hong Kong Monetary Authority

Ms Linda TSE
Senior Manager (External)
Hong Kong Monetary Authority

**Attendance by
invitation**

: Agenda Item IV

Ms Sophia KAO
Chairman
Financial Reporting Council

Dr P M KAM
Chief Executive Officer
Financial Reporting Council

Ms Velma CHEUNG
Senior Director
Investigation and Compliance
Financial Reporting Council

Clerk in attendance:

Ms Anita SIT
Chief Council Secretary (1)5

Staff in attendance : Mr Noel SUNG
Senior Council Secretary (1)4

Mr Fred PANG
Council Secretary (1)5

Ms Haley CHEUNG
Legislative Assistant (1)8

Action

I Confirmation of minutes of meeting and matters arising

(LC Paper No. CB(1)1499/09-10 — Minutes of the meeting on
21 December 2009

LC Paper No. CB(1)1493/09-10 — Minutes of the meeting on
1 February 2010)

The minutes of the meetings held on 21 December 2009 and 1 February 2010 were confirmed.

II Information papers issued since the last meeting

(LC Paper No. CB(1)1283/09-10(01) — Process Review Panel for the
Financial Reporting Council 2009
Annual Report

LC Paper No. CB(1)1326/09-10(01) — Equal Opportunities Commission's
reply letter dated 25 February 2010
to the Hong Kong Unison Limited
(English version only)

LC Paper No. CB(1)1424/09-10(01) — Hong Kong Association of Banks'
reply letter dated 17 March 2010 to
the Hong Kong Unison Limited
(English version only)

LC Paper No. CB(1)1434/09-10(01) — Administration's information paper
on hosting of the 59th World
Statistics Congress of the
International Statistics Institutes

LC Paper No. CB(1)1490/09-10(01) — Hong Kong Monetary Authority's press release on the latest position of Hong Kong Monetary Authority's investigations in Lehman-related complaint cases

LC Paper No. CB(1)1498/09-10(01) — Administration's consultation paper on the proposed statutory codification of certain requirements to disclose price sensitive information by listed corporations)

2. Members noted the information papers issued since the last meeting on 1 March 2010.

III Date of next meeting and items for discussion

(LC Paper No. CB(1)1496/09-10(01) — List of outstanding items for discussion

LC Paper No. CB(1)1496/09-10(02) — List of follow-up actions

LC Paper No. CB(1)1465/09-10(01) — Administration's reply regarding the proposed new anti-money laundering legislation for financial institutions)

Regular meeting on 3 May 2010

3. Members noted that the Administration had proposed the following items for discussion at the next regular meeting scheduled for 3 May 2010 -

- (a) Islamic finance – proposed amendments to the Inland Revenue Ordinance (Cap.112) and Stamp Duty Ordinance (Cap.117);
- (b) Legislative proposals to transfer the authorization of offering documentation in relation to structured products from the Companies Ordinance (Cap.32) (CO) to the Securities and Futures Ordinance (Cap.571) (SFO); and
- (c) Consultation on the proposed statutory codification of certain requirements to disclose price sensitive information by listed corporations.

The Chairman remarked that in order to allow sufficient time for members to discuss the items, the meeting on 3 May 2010 would start at 10:00 am.

Special meeting on 20 May 2010

4. The Chairman informed the meeting that the Chief Executive, Hong Kong Monetary Authority (CE/HKMA) would have to attend the annual meeting of the Asian Development Bank in early May 2010, and the Administration had proposed an additional item for discussion in May. He suggested and members agreed that a special meeting be held on 20 May 2010 at 2:00 pm to discuss the following items:

- (a) Briefing on the work of HKMA; and
- (b) Proposed establishment of an Investor Education Council and a Financial Dispute Resolution Centre.

(Post-meeting note: Members were informed vide LC Paper No. CB(1)1780/09-10 on 30 April 2010 that at the request of the Administration and with the concurrence of the Panel Chairman, the item at paragraph 4 (b) had been withdrawn. Also at the request of Mr James TO and with the concurrence of the Panel Chairman, an item on "Financial affairs matters under the Framework Agreement on Hong Kong/Guangdong Co-operation" has been included in the agenda for the special meeting on 20 May 2010.)

Legislative proposal to enhance the anti-money laundering regulatory regime in respect of the financial sectors

5. Noting the Administration's response dated 24 March 2010 to members' enquiries regarding the proposed new anti-money laundering legislation for the financial sectors, Ms Emily LAU suggested that a public hearing be held before the relevant Bill was introduced into Legislative Council (LegCo) in the second quarter of 2010, so that the Administration would be able to take into consideration the public's views in drafting the relevant Bill. The Chairman remarked that arrangements would be made with the Administration to work out an appropriate timing for holding a public hearing on the issue.

(Post-meeting note: Members were informed vide LC Paper No. CB(1)1759/09-10 on 30 April 2010 that a special Panel meeting was scheduled for 24 May 2010 to hear the views of relevant parties on the proposal legislation.)

Ethnic Pakistani residents being refused to establish bank accounts

6. In response to Ms Emily LAU's enquiry, the Chairman informed members that the attention of the Hong Kong Association of Banks and Hong Kong Monetary Authority (HKMA) had been drawn to the issue, and they had respectively replied to Hong Kong Unison Limited.

IV Briefing on the work of the Financial Reporting Council

(LC Paper No. CB(1)1496/09-10(03) — Administration's paper regarding the progress report on the work of the Financial Reporting Council

LC Paper No. CB(1)1494/09-10 — Background brief on the work of the Financial Reporting Council prepared by the Legislative Council Secretariat)

Briefing by the Financial Reporting Council

7. Ms Velma CHEUNG, the Senior Director (Investigation and Compliance), Financial Reporting Council (SD(IC)/FRC) briefed members, through a Powerpoint presentation, on the work of FRC in the past year.

(Post-meeting note: The notes of the Powerpoint presentation (LC Paper No. CB(1)1599/09-10(01)) were issued to members vide a Lotus Notes e-mail on 12 April 2010.)

Power and resources

8. Noting that FRC had only 11 staff, Mr CHIM Pui-chung expressed concern whether FRC could effectively perform its statutory functions, given the large number of accounting firms and listed entities. Pointing out that listed companies might be from places like the Mainland, Taiwan or Russia, Mr CHIM enquired about the accounting standards adopted by FRC in its investigation and enquiry work, and the appeal channel available. He also asked about the division of responsibilities between FRC and the Securities and Futures Commission (SFC).

9. Ms Sophia KAO, the Chairman of FRC (Chairman/FRC) responded that the key functions of FRC were (a) to conduct independent investigations into possible auditing and reporting irregularities related to listed entities; (b) to enquire into possible non-compliance with accounting requirements on the part of listed entities; and (c) to require listed entities to remove any non-compliance identified. If any auditing or reporting irregularities were identified in FRC's investigation, the cases concerned would be referred to the relevant professional body, i.e. the Hong Kong Institute of Certified Public Accountants (HKICPA) for follow-up actions. Throughout FRC's investigation or enquiry process, the concerned parties would be given the opportunities to respond to FRC's questions. The views of FRC and the concerned parties would be included in the report to the relevant regulator for follow-up. FRC's examination of the financial statements of listed entities was based on Hong Kong's financial reporting standards, which were on par with the relevant international standards.

10. Noting that FRC was currently funded by four parties, namely, the Companies Registry Trading Fund, SFC, Hong Kong Exchanges and Clearing Limited (HKEx) and the HKICPA, Ms Emily LAU asked whether the Government was prepared to provide additional funds to FRC if the Council needed extra resources to perform its statutory functions, e.g. to investigate into some major cases.

11. The Principal Assistant Secretary for Financial Services and the Treasury (PAS(FS)) responded that the annual funding for FRC had been increased from \$10 million in 2009 to \$16 million for 2010, with a 5% upward adjustment annually from 2011 to 2014. Based on present assessment, the provisions should be sufficient to enable FRC to perform its statutory functions. Where necessary, FRC could seek additional funds to meet extraordinary expenses from the contingency fund which had a balance of some \$20 million. The funding parties might review the funding arrangements for FRC beyond 2014 after FRC had gained more experience in its operation.

12. Dr LAM Tai-fai was concerned that given its small staffing establishment, FRC might not have the capacity to take proactive actions to follow-up possible non-compliance cases, such as those reported in the mass media.

13. The Chairman/FRC responded that FRC deployed its staff in such a way that both its investigation work and other functions could be carried out as scheduled. Since July 2008, FRC had started a proactive approach by making reference to modified auditors' reports on financial statements of all listed entities to identify potential non-compliance with accounting requirements. If warranted, FRC would follow up by reviewing the relevant financial statements. FRC had engaged temporary staff during periods of heavy workload. If necessary, FRC would consider outsourcing its work, in which case FRC would be mindful of the need to safeguard information confidentiality.

Investigation and enquiry work

14. Mr Albert HO enquired about the follow-up actions taken by the relevant regulators, e.g. SFC and/or HKICPA, after FRC had referred the investigation/enquiry reports to them, and whether FRC had publicized the reports, and required the listed entities to rectify their financial statements.

15. The Chairman/FRC responded that since FRC became fully operational in July 2007, FRC had carried out five investigations and four enquiries. One investigation case and four enquiry cases had been completed. Upon completion of an investigation/enquiry, FRC would issue the report to the concerned parties and the relevant regulator, place it on FRC's website for general information and issue a press release. The release of FRC's first enquiry report was reported fairly widely in the media, but there were few reports in the media when FRC released its first investigation report and the subsequent enquiry reports. The Chairman/FRC remarked that in enquiry cases, the listed entities concerned would be required to rectify their financial statements if non-compliance was identified. For investigation

cases, the report would be forwarded to the relevant regulator(s) for follow-up action. The first case of investigation completed was referred to HKICPA, which in turn issued a disapproval letter to both the auditor and the engagement director concerned with regard to the need to exercise due care and to act with proper regard to their legal and professional obligations. The FRC published the investigation report in June 2009.

16. Mrs Regina IP enquired whether the investigation/enquiry work of FRC concentrated on scrutiny of the relevant documentation, or verification of the authenticity of the information in the documents.

17. Dr PM KAM, the Chief Executive Officer, FRC (CEO/FRC) responded that FRC's investigations and enquiries focused on whether audit firms and accountants concerned had complied with the auditing and accounting requirements laid down by HKICPA. If complaints regarding fraud/deception were received, the cases would be referred to the law enforcement agencies, e.g. the Independent Commission Against Corruption (ICAC) and the Commercial Crime Bureau of the Hong Kong Police Force, for investigation.

18. Mr Albert HO enquired whether FRC had initiated investigation into a court case which involved non-compliance with accounting requirements by an accounting firm, resulting in payment of millions of dollars by the accounting firm to a listed entity as compensation. Mr HO expressed concern whether FRC had the resources to deal with such major cases.

19. The Chairman/FRC responded that usually FRC would not handle cases which occurred before its establishment. However, after discussion with HKICPA which had not investigated into the case referred to by Mr HO, FRC had initiated investigation into the case. Since the case involved examination of large amount of documents, FRC would take time to complete the investigation, and would not disclose the case details during investigation. For the four cases under investigation by FRC, it was expected that the investigation reports for two cases could be published within this year, whereas more time would be required for the other two more complicated cases. The Chairman/FRC added that in order to cope with the heavy workload, FRC had engaged an additional accountant on a short-term basis.

20. Dr LAM Tai-fai enquired about the number of anonymous complaints received by FRC in 2009, and the procedures of FRC for handling anonymous complaints. The Chairman/FRC said that out of the 19 complaints assessed in 2009, seven cases were anonymous complaints. For each complaint case, irrespective of whether it was an anonymous complaint or not, FRC would decide whether investigation should be initiated, based on the evidence provided.

Cross-border co-operation

21. Ms Emily LAU expressed concern about the lack of enforcement power of FRC against Mainland companies listed in Hong Kong. She doubted the

effectiveness of FRC's cross-border cooperation initiatives. The Chairman/FRC responded that FRC maintained close liaison with the Ministry of Finance (MoF) in the Mainland. FRC had signed a Memorandum of Understanding with the MoF to set up an investigation cooperation framework which would enable the FRC to investigate, through the MoF, relevant matters involving Mainland accountants and/or auditors of Hong Kong listed entities under the proposed new arrangements of accepting Mainland accounting and audit standards and qualified audit services provided to Mainland incorporated companies listed in Hong Kong.

Conflict of interests

22. Mrs Regina IP expressed concern about FRC's measures to prevent conflict of interests as the majority of FRC staff were accountants, and had worked in accounting firms. The Chairman/FRC responded that members of FRC were required to declare interests and would not be involved in discussion of any cases in which he had an interest. Similarly, a mechanism was in place to require FRC staff to make declaration of interests, and staff members who had previously worked in the accounting firm under investigation or enquiry would not be allowed to handle the relevant case.

Transparency

23. Mrs Regina IP asked about the transparency of FRC meetings and investigation process. The Chairman/FRC responded that the outcome of FRC's investigations would be published. In view of the sensitivity of the information involved and as stipulated in the FRO, the meetings and investigation process of FRC would not be made public.

Public awareness of FRC's work

24. Ms Emily LAU expressed concern that FRC only received 13 complaints in 2009, and so far no major irregularities had been identified or significant enforcement action taken against any listed entities and/or accounting firms, as a result of FRC's investigations/enquiries. Ms LAU doubted whether the small number of complaint/enquiry cases was due to the lack of public awareness of the FRC. Ms LAU asked whether FRC had conducted any survey to gauge the public's awareness and recognition of FRC's work.

25. The Chairman/FRC responded that the small number of complaints/enquiries received by FRC reflected, to a certain extent, the high standard of financial reporting of Hong Kong listed companies and the high standard of services provided by Hong Kong's accounting and auditing firms. She pointed out that a person who did not possess professional knowledge in accounting would unlikely be able to identify non-compliance of accounting requirements and lodge complaints to FRC. Most of the complaint cases came from persons associated with the company concerned. Some other cases were referrals from other regulators. So far FRC had received 21 case referrals from other regulators, whereas FRC had referred four

cases involving contravention of listing rules/fraud to the regulators/enforcement agencies concerned (two cases referred to ICAC, one case each to SFC and the HKEx). She remarked that since FRC had only come into operation for two-odd years, it would need more time to build up its credibility and arouse public awareness of its work. With the additional resources provided in 2010, FRC would step up its publicity work and consideration would be given to conducting a survey on public awareness of the work of FRC at an appropriate time.

V. Companies Ordinance Rewrite

(LC Paper No. CB(1)1496/09-10(04) — Administration's paper regarding the progress update on the Companies Ordinance rewrite exercise and staffing requirements of the rewrite exercise

LC Paper No. CB(1)1495/09-10 — Background brief on the Companies Ordinance rewrite exercise prepared by the Legislative Council Secretariat)

26. The Deputy Secretary for Financial Services and the Treasury (Financial Services)3 (DS(FS)3) briefed members on the latest progress of the CO rewrite exercise and the relevant staffing requirements, in particular the need to retain three supernumerary directorate posts in the Financial Services and the Treasury Bureau (FSTB) and the Companies Registry (CR).

27. Mrs Regina IP questioned why it was necessary to commission a consultant for the CO rewrite exercise, while the supernumerary directorate posts would be retained for the exercise. Mrs IP further asked why, given that the business and law schools in local universities were ranked highly in the world, the Government did not appoint local experts to assist in the rewrite exercise.

28. In response, DS(FS)3 said that the consultant was engaged to provide expert advice on the more complicated issues, such as share capital, debenture, capital maintenance rules, and registration of charges, for which there was a lack of in-house expertise in the Government. The consultant was selected for appointment through an open tendering exercise. The consultancy fee was about \$14 million. The consultant team, led by a professor from the National University of Singapore and consisted of experts from countries like the United Kingdom and New Zealand, had almost completed its work and was assisting in finalising the draft Bill.

29. Mrs Regina IP enquired whether the CO rewrite exercise would cover any legislative amendments arising from the regulators' recommendations made in the wake of the Lehman-Brothers Incident. DS(FS)3 responded that the SFC had earlier conducted a public consultation exercise on possible reforms to the prospectus

regime in the CO and the offers of investments regime in the SFO. SFC was discussing with Financial Services and the Treasury Bureau (FSTB) regarding the transfer of the relevant provisions on authorization of offering documentation in relation to structured products from the CO to the SFO, and the Panel would be briefed on the legislative proposals on 3 May 2010.

30. Noting that the Government had received about 150 submissions in the first phase of public consultation on the CO rewrite exercise, Ms Emily LAU expressed concern whether consensus had been or could be arrived at in respect of the proposed legislative amendments before they were put up to the LegCo for scrutiny. Ms LAU was concerned that since the relevant Bill would be introduced into LegCo in end-2010, LegCo might not have sufficient time to complete scrutiny of the Bill before the current term ended in July 2012. Mr Albert HO shared Ms LAU's concern. Ms LAU further asked whether it was the Administration's plan to enact the relevant subsidiary legislations before the end of the current term. Ms LAU also expressed concern about the expenses on consultancy fees, as she recalled that the recommendations of the last consultancy study costing about \$40 million had been discarded.

31. DS(FS)3 responded that given the extensive nature of the rewrite exercise, three topical public consultations had been conducted in 2007 and 2008 to gauge views on the more complex subjects. Taking into account the views received during these consultations, draft clauses of the Companies Bill (CB) had been prepared for public consultation in two phases. The Government would aim to balance the views collected during the public consultations in drawing up the CB, which was planned to be introduced by the end of 2010. The Administration envisaged that LegCo could complete the scrutiny of the Bill within the current term. The relevant subsidiary legislation would be introduced after the enactment of the CB, and was expected to be enacted by June 2013. No further consultancy study would be required and the existing consultant had almost completed its work.

32. Mr Albert HO said that the busiest period for the rewrite exercise, namely research, public consultation and preparation of the drafting instructions, should have passed. He queried the need for retention of the directorate staff. He also enquired about the progress of the work relating to the review of the Trustee Ordinance (Cap.29), the corporate rescue procedures, and the control of charitable organizations.

33. DS(FS)3 responded that the workload for the CO rewrite exercise would continue to be heavy, as the schedule for scrutiny of the CB would be tight and would involve a lot of work, which justified the retention of the directorate staff and other non-directorate staff for the rewrite exercise. As regards the review on the Trustee Ordinance, drafting instructions for the legislative amendments were being drawn up. Public consultation on the corporate rescue procedures had been completed and the views collected were being analyzed. The Law Reform Commission was reviewing the legislation relating to the control of charitable organizations, and a public consultation on related issues would probably be conducted within this year.

34. After seeking the views of members present, the Chairman remarked that the Panel was generally supportive of the staffing proposals in the paper.

VI The fifth general capital increase of Asian Development Bank

(File Reference: A1/1C

— Legislative Council Brief on "The fifth general capital increase of Asian Development Bank")

(Post-meeting note: Information on Hong Kong's past subscription to the share capital of ADB was tabled at the meeting, and was circulated to members vide LC Paper No. CB(1)1588/09-10 on 12 April 2010.)

35. The Deputy Secretary for Financial Services and the Treasury (Financial Services)1 (DS(FS)1) briefed the meeting on the proposed arrangements for Hong Kong's subscription to the Fifth General Capital Increase (GCIV) of the Asian Development Bank (ADB).

36. While supporting the proposed subscription to show Hong Kong's commitment to poverty reduction and improving the quality of life in the Asia and Pacific region, Mr Albert HO enquired whether the percentage of the shareholdings of ADB members would change as a result of GCIV, and about Hong Kong's representation in ADB affairs. Mr HO also enquired about the payment schedule of Hong Kong's subscription.

37. The Deputy Chief Executive, Hong Kong Monetary Authority (DCE/HKMA) responded that on 29 April 2009, the Board of Governors of the ADB approved a draft Resolution of general capital increase of 200% with a paid-in component of 4%. Each member was entitled to subscribe up to a 200% increase in its current shareholding. If all member economies subscribed in full, the percentage of shareholding of individual members would remain unchanged. DCE/HKMA pointed out that since there were only 12 members in the Board of Directors while the total number of ADB members was over 60 and given the small percentage of Hong Kong's shareholding in ADB (about 0.5% of the overall shareholding), Hong Kong was represented by the Australian Director in the Board of Directors of ADB. Hong Kong monitored the performance of ADB programmes through the Australian Director. A Hong Kong officer was attached to the office of the Australian Director to assist in the work. Hong Kong was also represented directly in the board of Governors of ADB, to which each of the 67 ADB members nominated a Governor and an Alternate Governor. DS(FS)1 advised that Hong Kong's paid-in shares of US\$18.6 million (or about HK\$146 million) would be paid based on a pre-agreed payment schedule of 10 annual installments from 2010-2011 to 2019-2020.

38. Mr Vincent FANG asked whether any member of ADB had withdrawn its membership or refrained from subscribing to ADB's capital increase before. Given

that Hong Kong had benefited from ADB's lending programmes in 1972 and 1980, Mr FANG enquired whether Hong Kong would seek assistance from ADB in implementing its major infrastructure projects in the coming years.

39. DCE/HKMA responded that theoretically members of ADB could withdraw their membership or decline to take up additional shares in a capital increase, but these had not happened before. As regards assistance from ADB, only members with an annual average per capita Gross National Income of less than US\$1,065 could apply. With its per capita GDP exceeding ADB's threshold for development assistance, Hong Kong had no longer been eligible for ADB assistance since 1998.

40. Mr CHAN Kin-por enquired why, given that Hong Kong and Singapore had similar average per capita Gross National Income, Singapore's shares in ADB were much less than those of Hong Kong. Pointing out that the total callable shares of Hong Kong would amount to about \$6.7 billion as a result of GCIV, Mr CHAN asked whether members of ADB had ever been asked to pay for the callable shares, and under what circumstances members would have to pay for the callable shares.

41. DCE/HKMA explained that since Singapore joined the ADB earlier than Hong Kong, and based on the size of the economy of Singapore at the time of joining the ADB, Singapore held a smaller amount of shareholding (about 0.3%) than Hong Kong (about 0.5%). Members of ADB were required to take up callable shares as ADB loans were granted based on a laid down percentage of the total capital of ADB. A larger capital would also enable ADB to maintain its AAA credit rating for debt issuance and hence provide more resources for poverty reduction. DCE/HKMA pointed out that there had not been any call on the callable shares in the history of ADB, and under the ADB Charter, the callable capital could only be utilized after ADB had explored all its available resources to settle its obligations at the time of financial distress. So far the default rate of loan repayment had been relatively low at around 2%.

42. While supporting the funding proposal, Ms Emily LAU remarked that Members belonging to the Democratic Party were concerned about gender equality and would request that an assessment on gender equality be included in all funding proposals for local projects. Ms LAU enquired whether ADB had taken into account the implications on gender equality in granting loans to its members, and if so, what weighting was given by ADB on gender equality in assessing applications for assistance.

43. DCE/HKMA responded that one of the criteria used by ADB for assessing assistance applications was the benefits brought about by the programmes under assessment to both genders. Under ADB's marking system, the member economy's performance in economic management, structural policies and policies for social inclusion, including gender equality, constituted 35% of the overall assessment score. Members' views regarding gender equality in the assessment of assistance applications would be relayed to ADB through Hong Kong's representative at the ADB, i.e. the Australian Director.

44. The Chairman remarked that Members belonging to the Democratic Alliance for the Betterment and Progress of Hong Kong supported the funding proposal for Hong Kong to subscribe to the GCIV.

VII Any other business

45. There being no other business, the meeting ended at 4:20 pm.

Council Business Division 1
Legislative Council Secretariat
10 May 2010