

**Panel on Financial Affairs**

**List of outstanding items for discussion**

(as at 31 March 2010)

**Proposed timing  
for discussion at  
Panel meeting**

**1. Islamic Finance – Proposed Amendments to the Inland Revenue Ordinance (Cap. 112) and Stamp Duty Ordinance (Cap. 117)**

The Administration proposes to brief the Panel on the framework of the legislative proposal for amending the Inland Revenue Ordinance and Stamp Duty Ordinance. The amendments concerned aim at leveling the playing field for common types of Islamic bonds vis-à-vis conventional bonds in terms of taxation liabilities. The Administration aims to introduce the Bill into Legislative Council in the second half of 2010.

May 2010

**2. Legislative Proposals to transfer the Authorisation of Offering Documentation in relation to Structured Products from the Companies Ordinance to the Securities and Futures Ordinance**

The Administration proposes to brief the Panel on the conclusions of the consultation conducted by the Securities and Futures Commission (SFC) in the fourth quarter of 2009 and the related legislative proposals. The Administration aims to introduce the Bill into Legislative Council in 2010.

May 2010

**3. Consultation on the Proposed Statutory Codification of Certain Requirements to Disclose Price Sensitive Information by Listed Corporations**

The Administration issued a consultation paper on 29 March 2010 to commence a three-month consultation on the proposed statutory codification of certain requirements to disclose price sensitive information by listed corporations. The Administration will brief the Panel on the legislative proposals in May 2010.

May 2010

**Proposed timing  
for discussion at  
Panel meeting**

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

The Chief Executive of HKMA briefs the Panel on the work of HKMA on a regular basis. Such briefings are normally held in February, May and November each year.

Tentatively  
scheduled for  
20 May 2010

**5. Review of corporate rescue procedure legislative proposals**

The Administration proposes to brief the Panel on the public consultation feedback on corporate rescue procedure legislative proposals.

June 2010

**6. Briefing by the Financial Secretary (FS) on Hong Kong's latest overall economic situation**

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

June 2010

**7. Proposed establishment of an independent Insurance Authority**

The Administration proposes to consult the Panel on the proposal for establishing an independent Insurance Authority, including its functions and powers, governance structure, organization framework and funding mechanism.

June/July 2010

**8. Proposed establishment of Policyholders' Protection Fund (PPF)**

The Panel was briefed on the proposed framework for the establishment of PPF at the meeting on 6 July 2009. The Administration proposes to consult the Panel on detailed proposals of PPF, including the scope of coverage, the levy rates and the corresponding levels of compensation, compensation limits and the target fund size, the governance framework as well as other detailed operational arrangements.

July 2010

**Proposed timing  
for discussion at  
Panel meeting**

**9. Companies Ordinance Rewrite**

The Administration proposes to brief on the latest progress of the rewrite of the Companies Ordinance and the legislative proposals. The Administration aims to introduce the bill into LegCo in late 2010.

July 2010

**10. The roles and operation of the Hong Kong Mortgage Corporation Limited (HKMC)**

The Panel discussed the roles and operation of HKMC at the meeting on 2 November 2009. After the meeting, Hon Mrs Regina IP raised further questions regarding the operation of HKMC (LC Paper No. CB(1)559/09-10 dated 2 December 2009), and HKMC provided a written response (LC Paper No. CB(1)687/09-10 dated 15 December 2009). At the Panel meeting on 4 January 2010, Mrs IP requested for further discussion of HKMC's operations. Members agreed that the item be put on this list, and if necessary, representatives from the banking sector be invited to give their views on HKMC's operations.

To be confirmed

The Panel conducted a visit to HKMC on 8 February 2010. On 1 March 2010, Mrs Regina IP requested that HKMC be asked to provide information on HKMA's business projections for HKMC prior to HKMC's establishment and on whether HKMC will pursue the suggestion of providing reverse mortgage service.

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

The Administration has conducted two rounds of consultation to gauge views from the financial sectors and the public on the subject. The first round consultation focused on the conceptual framework of the legislative proposals and ended in October 2009. The Administration then drew up a set of detailed proposals for the second round public consultation which ended on 6 February 2010. The Panel was briefed on the subject twice at the meetings on 11 June 2009 and 14 December 2009. At the Panel meeting on 1 March 2010, Hon Albert HO and Hon Emily LAU proposed that the Panel

To be confirmed

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Panel meeting**

hold a hearing to receive views on the subject. The Administration has been requested to advise on the updated status and work plan regarding the subject so that the Panel could consider the appropriate timing for holding a public hearing.

**12. Policy response to the review of HKMA's work on banking stability**

HKMA will brief the Panel on the policy response to the review report.

To be confirmed

**13. Review of the "abscondee" regime under the Bankruptcy Ordinance (Cap.6) (BO)**

In the course of deliberation, members of the Bills Committee on Statute Law (Miscellaneous Provisions) Bill 2007 were advised by the Administration of its plan to review the "abscondee" regime (i.e. bankrupts who left Hong Kong and could not be contacted) under BO. The Administration further advised that taking into account the policy content involved in the review, and the fact that more time would be needed to study the issue and conduct necessary research into relevant developments in other common law jurisdictions and consultations, it was not appropriate or possible to include legislative amendment proposals with respect to the "abscondee" regime as a whole in the Bill. Any proposed legislative amendments to the "abscondee" regime should be taken forward in a separate exercise.

To be confirmed

Members of the Bills Committee were concerned about the timeframe for introducing the proposed legislative amendments to the "abscondee" regime and whether public consultation would be conducted. The Bills Committee agreed that the issues should be referred to the Panel for follow-up. The Administration subsequently advised that it was in the process of conducting a research on the "abscondee" regime. Depending on the results of the research in 2009, it will then be in a better position to assess the scope of necessary amendments to BO and the likely timing to pursue such amendments.

Legislative Council Secretariat  
31 March 2010