

**Panel on Financial Affairs**

**List of outstanding items for discussion**  
(as at 3 July 2013)

**Proposed  
timing for  
discussion at  
Panel meeting**

**1. Construction of West Kowloon Government Offices**

The Administration proposes to construct government office buildings in West Kowloon for reprovisioning:

To be confirmed

- (i) some government offices currently accommodated in leased premises;
- (ii) departments in the Yau Ma Tei Multi-storey Carpark Building for construction of the Central Kowloon Route; and
- (iii) some departments in the three government office buildings at the Wan Chai Waterfront.

According to the Administration, the proposal will help alleviate the shortfall of government-owned office premises, reduce government rental expenditure and increase the supply of office space for commercial use. The Administration plans to consult the Panel on the matter in 2013-2014. The Administration intends to submit the proposal to the Public Works Subcommittee and the Finance Committee in May and June 2014 respectively.

**2. Proposed legislation for the introduction of a scripless securities market in Hong Kong**

The Administration will brief the Panel on the legislative proposal of introducing a scripless securities market in Hong Kong.

To be confirmed

**3. Withdrawal of Mandatory Provident Fund ("MPF")**

**benefits**

The Mandatory Provident Fund Schemes Authority ("MPFA") has earlier conducted public consultation on the withdrawal arrangements of MPF benefits. It proposes to expressly provide scheme members with the option to opt to receive payment in stages; and add "terminal illness" as an additional ground for early withdrawal of MPF benefits.

To be confirmed

The proposals received public support and MPFA is in the process of formulating the implementation details. MPFA will consult the Panel in due course.

**4. Duration of lunch break under the extended trading hours of Hong Kong securities market**

Since 7 March 2011, Hong Kong Exchanges and Clearing Limited ("HKEx") has implemented a two-phase extension of the trading hours of its securities and derivatives market by 1.5 hour to increase the overlap of the trading hours with the Mainland's and to strengthen the competitiveness of HKEx with its regional competitors. Under the extended trading hours, the morning trading session was advanced by 30 minutes. The lunch break was shortened from two to 1.5 hours with effect from 7 March 2011 and further shortened to one hour from 5 March 2012.

Information paper to be provided by the Administration in the 4<sup>th</sup> quarter of 2013

At the meeting on 16 October 2012, Hon Christopher CHEUNG expressed concern on the impact of the shortened lunch break on market practitioners and suggested that the Panel should discuss the issue in due course. The Administration has been invited to provide an information paper on the matter. The Panel would decide whether and how to follow up the issue in due course.

**5. Amendments proposed by the Securities and Futures**

**Commission ("SFC") to the professional investor regime and the client agreement requirements**

In late 2011, when the Legislative Council scrutinized the Securities and Futures (Professional Investor) (Amendment) Rules 2011, SFC undertook at the meetings of the relevant subcommittee to conduct a comprehensive review of the current professional investor regime to determine whether it should be further refined, streamlined or improved. SFC issued on 15 May 2013 the Consultation Paper on the Proposed Amendments to the Professional Investor Regime and the Client Agreement Requirements and commenced a three-month public consultation. The consultation paper was issued to members on 27 May 2013.

To be confirmed

On 29 May 2013, Hon Christopher CHEUNG issued a letter to the Chairman requesting the Panel to hold a special meeting to discuss SFC's proposals (LC Paper No. CB(1)1175/12-13(01) issued on 30 May 2013).

**6. Regulatory issues relating to travel insurance arising from the incident of hot air balloon crash in Egypt**

In his letters dated 15 March and 24 May 2013 (LC Paper No. CB(1)1175/12-13(02) issued on 30 May 2013) to the Chairman, Hon KWOK Wai-keung, a non-Panel member, requested the Panel to discuss regulatory issues relating to travel insurance arising from the incident of hot air balloon crash in Egypt. Mr KWOK is concerned about mis-selling in travel insurance and whether the travel agency and insurance agent have clearly explained to the insured the coverage and exclusions of the relevant policies.

To be confirmed

The Administration had been requested to provide a written response to the issues raised by Mr KWOK, which was issued to members on 30 April 2013 (LC Paper No. CB(1)962/12-13(01)).

**7. Over-deduction of amounts from Octopus cards**

**Proposed  
timing for  
discussion at  
Panel meeting**

On 4 June 2013, Hon TANG Ka-piu, a non-Panel member, wrote to the Chairman proposing the Panel to discuss issues arising from the erroneous deductions of amounts from Octopus cards (LC Paper No. CB(1)1242/12-13(01) issued on 6 June 2013), following media reports in mid May 2013 that the cumulative amount of over-deductions reached some \$13.3 million since 1997. Mr TANG is concerned about the regulation of Octopus card as a kind of electronic payments and the refunding arrangements by the Octopus Holdings Limited on the over-deductions.

To be confirmed

Council Business Division 1  
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