

**Panel on Financial Affairs**

**List of outstanding items for discussion**  
(as at 3 December 2015)

	<b>Proposed timing for discussion at Panel meeting</b>
<p><b>1. Briefing on the work of the Financial Services Development Council ("FSDC")</b></p> <p>Since its establishment in January 2013, FSDC has published 16 reports. FSDC will provide updates on its latest work progress, following its briefings to the Panel on 4 February 2013, 6 January 2014 and 13 April 2015.</p>	January 2016
<p><b>2. Replacement of the Procurement and Contract Management System and the Unallocated-Store Program of the Government Logistics Department</b></p> <p>The Administration proposes to replace the existing Procurement and Contract Management System and the Unallocated-Store Program by adopting the prevailing technology to continue supporting the operation of the Government Logistics Department and its services to government departments, as well as coping with the latest business environment. It plans to submit the funding proposal to the Finance Committee in February 2016.</p>	January 2016
<p><b>3. Briefing on the work of Hong Kong Monetary Authority ("HKMA")</b></p> <p>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.</p>	February 2016 May 2016
<p><b>4. Budget of Securities and Futures Commission ("SFC") for the financial year of 2016-2017</b></p> <p>In line with the usual practice, SFC will brief the Panel on its budget for the coming financial year in February or March.</p>	February 2016

**Proposed timing  
for discussion at  
Panel meeting**

**5. Briefing on the proposed future funding arrangement of the Financial Dispute Resolution Centre ("FDRC")**

The Administration plans to brief the Panel on the FDRC's consultation on its proposed future funding arrangement.

March 2016

**6. Study on introducing a sales platform for retail mutual funds**

This item was raised by Hon Christopher CHEUNG in his letter to the Panel Chairman dated 15 October 2015. Mr CHEUNG noted that SFC and Hong Kong Exchanges and Clearing Limited ("HKEx") would conduct a study on introducing a sales platform for retail mutual funds at the Hong Kong Stock Exchange and suggested that the Panel should discuss the subject to enhance the understanding of the public and the industry of this initiative.

March 2016

**7. Regulation of financial intermediaries for money lending**

The item was raised by Hon SIN Chung-kai. At the meeting on 15 October 2015, Mr SIN expressed concern about the malpractice of certain financial intermediaries, including tricking members of the public into applying for loans from finance companies and charging them expensive intermediary fees. He suggested that the Panel should discuss issues relating to the policy on the regulation of financial intermediaries.

March/April 2016

**8. Annual briefing on the work of the Financial Reporting Council ("FRC")**

In line with the usual practice, FRC will brief the Panel on the work of FRC in the past year and the work plan for the year ahead.

May 2016

**9. 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 2016

**10. Retention of two supernumerary directorate posts in the Financial Services Branch ("FSB") of the Financial Services and the Treasury Bureau ("FSTB")**

The Administration proposes to consult the Panel on the retention of two supernumerary directorate posts in FSB of FSTB.

To be confirmed

**11. Asian Development Bank – the 11th Replenishment of the Asian Development Fund (ADF XII)**

The Administration proposes to brief the Panel on the funding proposal for seeking the approval of the Finance Committee for Hong Kong to contribute to 11th replenishment of the Asian Development Fund (ADF XII).

To be confirmed

**12. Updates on Shanghai-Hong Kong Stock Connect ("S-HK SC")**

The Panel received a briefing on the establishment of S-HK SC at the meeting held on 9 June 2014.

To be confirmed

At the work plan meeting of the Panel on 20 October 2014, Hon Christopher CHEUNG requested the Government to update the Panel on the development of the initiative.

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

Since 7 March 2011, 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.

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 Government has been invited to provide an information paper on the matter.

At the meeting on 4 November 2013, Hon WONG Kwok-hing reiterated the concern of practitioners of the securities industry about the impact of extended trading hours on their operation and suggested scheduling a discussion on the subject at a meeting.

The Government provided an information paper prepared by HKEx on extension of trading hours in the securities market on 20 November 2013 (LC Paper No. CB(1)356/13-14(01)).

Pursuant to the work plan meeting of the Panel on 6 November 2015, the Administration was requested to provide an information paper to update members on the impacts of the extension of trading hours on the securities market and practitioners of the securities industry.

#### **14. Hong Kong's participation in the Asian Infrastructure Investment Bank ("AIIB")**

This item was raised by Hon Dennis KWOK (his letter dated 30 March 2015 was issued vide LC Paper No. CB(1)710/14-15(01) on 2 April 2015). Mr KWOK considers that the Panel should discuss issues relating to Hong Kong's participation in AIIB which is a financial organization to provide finance to support the development of infrastructure in the Asian region. The plan to establish AIIB was formally announced by the Central Government in October 2014.

To be confirmed

At the meeting on 15 October 2015, Hon Jeffrey LAM suggested that the Administration should update the Panel on Hong Kong's participation in AIIB.

**15. Arrangement for offsetting Severance Payment or Long Service Payment under the Mandatory Provident Fund ("MPF") system ("the SP/LSP offsetting arrangement")**

LegCo has established the Joint Subcommittee to Study the Arrangement of Offsetting Severance Payments and Long Service Payments against Mandatory Provident Fund Accrued Benefits under the Panel on Financial Affairs and the Panel on Manpower which is currently on the waiting list and expected to commence operation in January 2016.

At the meeting on 15 October 2015, Hon LEE Cheuk-yan suggested that, given the tight timeframe of the relevant legislative exercise, the Panel should discuss issues relating to the SP/LSP offsetting arrangement before the Joint Subcommittee commenced operation. In this regard, he suggested that the Panel might consider holding a joint meeting with the Panel on Manpower.

Pursuant to the work plan meeting of the Panel on 6 November 2015, the Administration was requested to provide a written response to address Hon LEE Cheuk-yan's concerns raised on the subject. The Administration's response paper was circulated to members vide LC Paper No. CB(1)226/15-16(01) on 2 December 2015.

**16. Reduction in the management fees of MPF system**

At the meeting on 15 October 2015, Hon LEE Cheuk-yan suggested that the Panel should discuss issues relating to reducing the high management fees of MPF system, which was often a subject of concern of scheme members.

Pursuant to the work plan meeting of the Panel on 6 November 2015, the Administration was requested to provide a written response to address Hon LEE Cheuk-yan's concerns raised on the subject. The

Administration's paper was circulated to members vide LC Paper No. CB(1)226/15-16(01) on 2 December 2015.

**17. Development of financial technologies in Hong Kong**

To be confirmed

This item was raised by Hon Charles Peter MOK (his letter dated 27 November 2015 was issued vide LC Paper No. CB(1)245/15-16(01) on 3 December 2015). Mr MOK considers that the Panel should discuss issues relating to the Administration's plans and initiatives in promoting the development of Hong Kong's financial technologies.

Council Business Division 1  
Legislative Council Secretariat  
3 December 2015