

**立法會**  
***Legislative Council***

LC Paper No. CB(1)67/16-17

(These minutes have been  
cleared with the Chairman)

Ref : CB1/PL/FA/1

**Panel on Financial Affairs**

**Minutes of meeting held on  
Tuesday, 18 October 2016 at 10:00 am  
in Conference Room 3 of the Legislative Council Complex**

**Members present :** Hon Christopher CHEUNG Wah-fung, SBS, JP  
(Chairman)  
Hon Kenneth LEUNG (Deputy Chairman)  
Hon James TO Kun-sun  
Hon Abraham SHEK Lai-him, GBS, JP  
Prof Hon Joseph LEE Kok-long, SBS, JP  
Hon Jeffrey LAM Kin-fung, GBS, JP  
Hon Starry LEE Wai-king, SBS, JP  
Hon CHAN Hak-kan, BBS, JP  
Hon CHAN Kin-por, BBS, JP  
Hon WONG Kwok-kin, SBS, JP  
Hon Mrs Regina IP LAU Suk-yee, GBS, JP  
Hon Paul TSE Wai-chun, JP  
Hon LEUNG Kwok-hung  
Hon Claudia MO  
Hon Michael TIEN Puk-sun, BBS, JP  
Hon Steven HO Chun-yin, BBS  
Hon Frankie YICK Chi-ming, JP  
Hon WU Chi-wai, MH  
Hon YIU Si-wing, BBS  
Hon MA Fung-kwok, SBS, JP  
Hon Charles Peter MOK, JP  
Hon CHAN Chi-chuen  
Hon CHAN Han-pan, JP  
Hon LEUNG Che-cheung, BBS, MH, JP  
Hon Alice MAK Mei-kuen, BBS, JP  
Dr Hon KWOK Ka-ki

Hon KWOK Wai-keung  
Hon Dennis KWOK Wing-hang  
Dr Hon Helena WONG Pik-wan  
Hon IP Kin-yuen  
Dr Hon Elizabeth QUAT, JP  
Hon Martin LIAO Cheung-kong, SBS, JP  
Dr Hon CHIANG Lai-wan, JP  
Ir Dr Hon LO Wai-kwok, SBS, MH, JP  
Hon Alvin YEUNG  
Hon Andrew WAN Siu-kin  
Hon Jimmy NG Wing-ka, JP  
Dr Hon Junius HO Kwan-yiu, JP  
Hon HO Kai-ming  
Hon LAM Cheuk-ting  
Hon Holden CHOW Ho-ding  
Hon SHIU Ka-fai  
Hon SHIU Ka-chun  
Hon Wilson OR Chong-shing, MH  
Hon YUNG Hoi-yan  
Hon CHAN Chun-ying  
Hon Tanya CHAN  
Hon CHEUNG Kwok-kwan, JP  
Hon HUI Chi-fung  
Hon LUK Chung-hung  
Hon LAU Kwok-fan, MH  
Hon Kenneth LAU Ip-keung, MH, JP  
Hon KWONG Chun-yu  
Hon Jeremy TAM Man-ho  
Hon Nathan LAW Kwun-chung

**Members absent :** Hon LEUNG Yiu-chung  
Hon WONG Ting-kwong, SBS, JP  
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP  
Dr Hon Fernando CHEUNG Chiu-hung  
Hon Eddie CHU Hoi-dick  
Dr Hon LAU Siu-lai  
Dr Hon YIU Chung-yim  
Hon YAU Wai-ching

**Clerk in attendance :** Ms Connie SZETO  
Chief Council Secretary (1)4

**Staff in attendance :** Ms Anita SIT  
Assistant Secretary General 1

Mr Hugo CHIU  
Senior Council Secretary (1)4

Miss Sharon LO  
Senior Council Secretary (1)9

Mr Keith WONG  
Council Secretary (1)4

Ms Alice CHEUNG  
Senior Legislative Assistant (1)1

Miss Queenie LAM  
Senior Legislative Assistant (1)2

Ms Sharon CHAN  
Legislative Assistant (1)4

Ms Christy YAU  
Legislative Assistant (1)7

Ms Clara LO  
Legislative Assistant (1)8

Ms Haley CHEUNG  
Legislative Assistant (1)9

Ms Vivian CHAN  
Clerical Assistant (1)4

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**I Election of Chairman and Deputy Chairman**

Election of Chairman

Mr James TO, the attending Member with the highest precedence among those who joined the Panel, presided over the election of Chairman of the Panel for the 2016-2017 session. He invited nominations for the chairmanship.

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2. Mr Christopher CHEUNG was nominated by Mr Jeffrey LAM and the nomination was seconded by Mr CHAN Kin-por. Mr Christopher CHEUNG accepted the nomination. Mr James TO called for other nominations.

3. Mr Kenneth LEUNG was nominated by Mr Dennis KWOK and the nomination was seconded by Ms Tanya CHAN. Mr Kenneth LEUNG accepted the nomination.

4. As there was no other nomination, Mr James TO announced a vote by secret ballot. After all members present had cast their votes, Mr TO invited Mr Jeffrey LAM and Mr Dennis KWOK who had nominated the two candidates to oversee the counting of votes. Of the members present for voting, 33 members voted for Mr Christopher CHEUNG and 17 voted for Mr Kenneth LEUNG. Mr TO declared that Mr Christopher CHEUNG was elected the Chairman of the Panel for the 2016-2017 session. Mr CHEUNG then took the chair.

Election of Deputy Chairman

5. The Chairman invited nominations for the deputy chairmanship. Mr Kenneth LEUNG was nominated by Ms Tanya CHAN and the nomination was seconded by Ms Claudia MO. Mr Kenneth LEUNG accepted the nomination. There being no other nomination, the Chairman declared that Mr Kenneth LEUNG was elected the Deputy Chairman of the Panel for the 2016-2017 session.

**II Schedule of meetings for the 2016-2017 session**

6. The Chairman referred members to the proposed schedule of meetings tabled at the meeting. Members agreed that:

- (a) the monthly regular meetings of the Panel would be held on the first Monday of each month, except January, April and May 2017, in which the meetings would be rescheduled to avoid clashes with public holidays and special meetings of the Finance Committee; and
- (b) the regular Panel meetings would normally start at 10:45 am but would start earlier if necessary.

*(Post-meeting note: The schedule of regular meetings of the Panel for the 2016-2017 session was issued to members vide LC Paper No. CB(1)10/16-17 on 20 October 2016.)*

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### **III Items for discussion at the next meeting**

7. The Chairman referred members to the "List of issues suggested to be considered" tabled at the meeting. Members noted the list, and that in line with the usual practice, the Panel would invite the Financial Secretary to brief members on macro economic issues in June and December each year. The Hong Kong Monetary Authority ("HKMA") would also be invited to brief the Panel on its work in February, May and November each year.

*(Post-meeting note: The above list was issued to members vide LC Paper No. CB(1)11/16-17(01) on 18 October 2016.)*

#### Regular meeting in November 2016

8. The Chairman said that the Administration had proposed to discuss the following items in November 2016:

- (a) Briefing on the work of HKMA;
- (b) Proposed creation of a non-civil service Executive Director position in the Financial Services Development Council Secretariat of the Financial Services Branch of the Financial Services and the Treasury Bureau; and
- (c) Collection of levy on insurance premiums and various fees by the independent Insurance Authority.

Members agreed to discuss items above.

9. The Chairman further informed members that due to overseas engagement in early November 2016, the Chief Executive of HKMA would be unable to attend the regular meeting scheduled for 7 November 2016 to brief the Panel on HKMA's work. A special meeting might be scheduled on 15 November 2016 for the Panel to receive the briefing.

*(Post-meeting note: The Chairman decided to reschedule the regular Panel meeting from 7 November 2016 to 15 November 2016. Members were informed of the meeting arrangement vide LC Paper No. CB(1)37/16-17 on 27 October 2016.)*

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Proposed discussion items for future meetings

10. Mr Kenneth LEUNG said that he would like to brief the Panel at the next meeting or the regular meeting in December 2016 on his proposed Member's Bill to amend the Professional Accountants Ordinance (Cap. 50).

11. Mr Dennis KWOK noted that the consultation on the proposed enhancements to Stock Exchange of Hong Kong Limited's decision-making and governance structure for listing regulation jointly launched in June 2016 by the Securities and Futures Commission ("SFC") and the Hong Kong Exchanges and Clearing Limited had aroused interest among the stakeholders, and suggested that the Panel should invite representatives of the relevant parties including SFC to discuss the issue. Mrs Regina IP supported Mr KWOK's suggestion.

12. Ms Alice MAK said that the Administration had briefed the Panel during the Fifth Legislative Council on its proposed measures to tackle the malpractices by financial intermediaries for money lending, and one of the proposed measures was to introduce more stringent regulatory measures by imposing additional licensing conditions on money lender licences. She suggested that the Administration should update the Panel on the progress of the proposed measures, including the implementation timetable concerned. Mr Dennis KWOK concurred with Ms MAK, and requested that the Administration should brief members on the latest development regarding conducting a review on the Money Lenders Ordinance (Cap. 163).

13. Mr Charles Peter MOK relayed the concern of the information technology ("IT") industry about the Cybersecurity Fortification Initiative ("CFI") launched by HKMA in 2016, and suggested that HKMA should be invited to update the Panel on the progress of CFI, including the impacts of the training programmes under CFI on IT industry. Mr MOK further suggested that the Administration should update the Panel on the latest development on the progress of its initiatives in promoting the development of financial technologies in Hong Kong.

14. Mr Abraham SHEK expressed concern about the difficulties encountered by some small and medium-sized enterprises in opening bank accounts, and suggested that the Panel should invite HKMA to explain its policy on the matter. The Chairman said that the Panel could discuss the issue during the HKMA's briefing on its work at the regular meeting in November 2016.

15. The Chairman said that in line with past practice, he and the Deputy Chairman would meet with the Secretary for Financial Services and the

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Treasury to discuss the work plan of the Panel for the 2016-2017 session. He would discuss with the Administration during the work plan meeting on how to follow up the suggested issues. He added that members who wished to propose other items for discussion by the Panel could inform the Panel Clerk in writing.

*(Post-meeting note: The items suggested by members in paragraphs 10 and 14 above were included in the agenda of the meeting on 15 November 2016. The issue relating to CFI in paragraph 13 was incorporated in HKMA's briefing on 15 November 2016.)*

**IV Any other business**

16. There being no other business, the meeting ended at 10:22 am.

Council Business Division 1  
Legislative Council Secretariat  
4 November 2016