

Panel on Financial Affairs

List of follow-up actions

(Position as at 9 October 2017)

Subject	Date(s) of relevant meeting(s)	Follow-up actions	Outcome
<p>1. Progress report on joint consultation on the proposed enhancements to the Stock Exchange of Hong Kong Limited's decision-making and governance structure for listing regulation</p>	<p>18 April 2017</p>	<p>The Administration was requested to provide written responses as follows:</p> <ul style="list-style-type: none"> (a) whether the proposed governance structure for listing regulation in the consultation paper was acting ultra vires the Securities and Futures Ordinance (Cap. 571) or any other ordinances; (b) whether the Securities and Futures Commission or any other bodies had discouraged merchant bankers from providing comments on the consultation proposals; and (c) details of the opposition views on the consultation proposals. 	<p>The Administration's response was issued to members vide LC Paper No. CB(1)1348/16-17(02) on 31 July 2017.</p>

Subject	Date(s) of relevant meeting(s)	Follow-up actions	Outcome
<p>2. Briefing on the work of Hong Kong Monetary Authority ("HKMA")</p>	<p>29 May 2017</p>	<p>HKMA was requested to take the following actions:</p> <ul style="list-style-type: none"> (a) to provide information (including the amount and the proportion to the total amount of loans) on Mainland-related loans made in Hong Kong, particularly those using assets in the Mainland as collateral, and HKMA's assessment of the potential risks of such loans to Hong Kong's financial stability; (b) to refine the information on the housing affordability of the public (i.e. slide 19 of the powerpoint presentation), taking into account the fact that the mainstream mortgage terms had changed from 20 years in 1997 to 30 years in 2016; (c) to provide information on changes in (i) the aggregate balance of Hong Kong dollar ("HKD"); and (ii) the monetary base of HKD since 2016, and HKMA's assessment of the impacts of such changes to the stability of HKD; and (d) to provide information on the Exchange Fund's investment, if any, in renminbi-denominated bonds issued by the Central Government. 	<p>HKMA's response was issued to members vide LC Paper No. CB(1)1197/16-17(02) on 26 June 2017.</p>

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3. Briefing by the Financial Secretary on Hong Kong's latest overall economic situation	5 June 2017	The Administration was requested to provide information on the proportion of rental costs to the total operating expenses in respective industries in recent years.	The Administration's response was issued to members vide LC Paper No. CB(1)1154/16-17(02) on 16 June 2017.
4. Subsidiary legislation and code relating to the open-ended fund company regime	5 June 2017	<p>The Administration was requested to provide information on:</p> <ul style="list-style-type: none"> (a) relevant measures set out in the Inland Revenue Ordinance (Cap. 112), the Securities and Futures (Amendment) Ordinance 2016, and the proposed amendment bill to extend profits tax exemption to onshore privately offered open-ended fund companies ("OFCs") ("the proposed amendment bill") to avoid the abuse of (i) stamp duty and profits tax exemption granted to OFCs; and (ii) exemption applicable to privately offered OFCs; (b) measures to prevent a company from abusing the tax exemption for OFCs by packaging its business (like real estates) in the form of an OFC; and (c) whether there would be any loophole for tax avoidance if the proposed amendment bill 	The Administration's response was issued to members vide LC Paper No. CB(1)1191/16-17(02) on 22 June 2017.

Subject	Date(s) of relevant meeting(s)	Follow-up actions	Outcome
		was not enacted by the Legislative Council as scheduled.	

Council Business Division 1
Legislative Council Secretariat
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