

Panel on Financial Affairs

List of outstanding items for discussion
(as at 23 March 2018)

**Proposed timing
for discussion at
Panel meeting**

1. Briefing on the work of 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.

May 2018

In his Budget Speech for 2015-2016, the Financial Secretary ("FS") announced the decision to establish the Future Fund ("FF") for placement in longer-term investments with a view to securing higher returns for the fiscal reserves. The FF was set up on 1 January 2016.

Dr Hon Fernando CHEUNG suggested in his letter dated 10 November 2016 that the Panel should discuss the issue of the operation of FF. Dr CHEUNG's letter and the Administration's written response were circulated to members vide LC Paper Nos. CB(1)272/16-17(01) and (02) on 9 December 2016. HKMA is invited to brief members on the investment of FF at its work briefings.

2. 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 2018

3. Proposed amendments to the Securities and Futures (Professional Investor) Rules

The Administration proposes to brief the Panel on the Securities and Futures Commission's ("SFC") proposed

May 2018

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amendments to standardize the rules for prescribing professional investors. It plans to introduce the relevant legislative proposal into the Legislative Council ("LegCo") in May 2018.

4. Briefing by the Financial Secretary 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 2018

5. Legislative proposals to update the financial resources requirements for licensed corporations

The Administration will brief the Panel on the proposed amendments to the Securities and Futures (Financial Resources) Rules to enhance the regulatory capital regime for licensed corporations. It plans to introduce the relevant legislative proposal into LegCo in the fourth quarter of 2018.

June 2018

6. Proposed Amendments to the Occupational Retirement Schemes Ordinance (Cap. 426)

The Administration proposes to brief the Panel on the proposed legislative amendments to forestall the use of occupational retirement schemes for non-retirement purposes. It plans to introduce the relevant amendment bill into LegCo in the 2018-2019 legislative session.

To be confirmed

7. Work of the Mandatory Provident Fund ("MPF") Schemes Authority ("MPFA") in enhancing MPF System

At the meeting on 12 October 2017, Hon Starry LEE suggested that the Administration should update the Panel on the work of MPFA in enhancing MPF System, including MPFA's initiatives and measures to further drive down the management fees of MPF schemes.

To be confirmed

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8. Enhancements to the Stock Exchange of Hong Kong Limited's ("SEHK") decision-making and governance structure for listing regulation

SFC and the Hong Kong Exchanges and Clearing Limited ("HKEX") launched a joint public consultation on proposed enhancements to SEHK's decision-making and governance structure for listing regulation in June 2016 and issued the consultation conclusions on 15 September 2017. The Panel was briefed on the progress of the consultation at the meeting on 18 April 2017.

To be confirmed

At the meeting on 12 October 2017, Hon CHAN Chun-ying suggested that the Panel should invite relevant parties including SFC and HKEX to brief members on the way forward and follow-up actions to be taken.

9. Establishment of a sovereign wealth fund in Hong Kong

At the meeting on 12 October 2017, Hon Mrs Regina IP suggested that the Panel should discuss issues relating to the establishment of a sovereign wealth fund in Hong Kong. Mrs IP's letter dated 13 October 2017 to the Chairman was issued to members vide LC Paper No. CB(1)113/17-18(03) on 27 October 2017.

To be confirmed

10. Development of Guangdong-Hong Kong-Macao Bay Area ("Bay Area")

At the meeting on 12 October 2017, Hon Mrs Regina IP suggested that the Panel should discuss matters relating to enhancing opportunities for the financial services sector and the flow of capital in the development of Bay Area. Mrs IP's letter dated 13 October 2017 to the Chairman was issued to members vide LC Paper No. CB(1)113/17-18(03) on 27 October 2017.

To be confirmed

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At the meeting on 21 November 2017, the Panel on Commerce and Industry considered and agreed to Hon Michael TIEN's suggestion of holding a joint meeting with the Panel on Economic Development and the Panel on Financial Affairs ("FA Panel") to discuss issues relating to the development of Bay Area. Chairman of FA Panel has agreed to hold the proposed joint Panel meeting in due course.

11. Consultation on the review of the Growth Enterprise Market ("GEM")

On 16 June 2017, HKEX and SEHK launched a consultation on the proposed reform to GEM and changes to the GEM and Main Board Listing Rules. The consultation conclusions were issued on 15 December 2017. The proposed amendments to the Main Board and GEM Listing Rules set out in the consultation conclusions took effect on 15 February 2018.

To be confirmed

In her letter to the Chairman on 13 October 2017, Hon Mrs Regina IP suggested that the Administration should update the Panel on the matter. Mrs IP's letter was issued to members vide LC Paper No. CB(1)113/17-18(03) on 27 October 2017.