

立法會
Legislative Council

LC Paper No. CB(1) 1948/99-00
(These minutes have been seen by
the Administration and cleared by
the Deputy Chairman)

Ref : CB1/PL/FA/1

Legislative Council
Panel on Financial Affairs

Minutes of Meeting held on
Monday, 13 March 2000, at 10:45 am
in the Chamber of the Legislative Council Building

- Members present** : Hon Eric LI Ka-cheung, JP (Deputy Chairman)
Hon James TIEN Pei-chun, JP
Hon Albert HO Chun-yan
Dr Hon David LI Kwok-po, JP
Hon NG Leung-sing
Hon CHEUNG Man-kwong
Hon HUI Cheung-ching
Hon SIN Chung-kai
Hon Jasper TSANG Yok-sing, JP
Hon Emily LAU Wai-hing, JP
Hon Timothy FOK Tsun-ting, SBS, JP
- Members absent** : Hon Ambrose LAU Hon-chuen, JP (Chairman)
Hon LEE Cheuk-yan
Hon Martin LEE Chu-ming, SC, JP
Hon Ronald ARCULLI, JP
Hon James TO Kun-sun
Hon Bernard CHAN
Dr Hon Philip WONG Yu-hong
Hon FUNG Chi-kin
- Public officers attending** : For items IV and V

Mr Bryan P K CHAN
Principal Assistant Secretary for Financial Services

For item IV

Mr David CARSE, JP
Deputy Chief Executive
Hong Kong Monetary Authority

For item V

Mrs Rebecca LAI
Deputy Secretary for Financial Services

**Attendance by
invitation**

: For items IV and V

Mr Andrew SHENG
Chairman, Securities and Futures Commission

For item IV

Ms Christine WONG
Director, Corporate Finance Division
Securities and Futures Commission

Hong Kong Exchanges and Clearing Limited

Mr Alec TSUI
Chief Operating Officer

Dr K S LO
Gem Listing Committee Chairman

For item V

Mr Mark DICKENS
Executive Director (Enforcement Division)
Securities and Futures Commission

Clerk in attendance : Ms LEUNG Siu-kum
Chief Assistant Secretary (1)4

Staff in attendance : Ms Connie SZETO
Senior Assistant Secretary (1)1

In the absence of the Chairman, the Deputy Chairman took over the chair for the meeting.

I Confirmation of minutes of previous meeting

(LC Paper No. CB(1) 1130/99-00)

2. The minutes of the meeting held on 3 January 2000 were confirmed.

II Information papers issued since last meeting

LC Paper No. CB(1) 1106/99-00 -- "Regional Monitor, Issue No. 28, February 2000" provided by the Stock Exchange of Hong Kong

LC Paper No. CB(1) 1118/99-00 -- "MPF, the fruit you deserve" (Chinese version) provided by the Mandatory Provident Fund Schemes Authority

LC Paper No. CB(1) 1141/99-00 -- Video tape promoting the Mandatory Provident Fund system produced by the Mandatory Provident Fund Schemes Authority

3. Members noted the captioned information papers issued since last meeting.

III Date of the next meeting and items for discussion

(LC Paper Nos. CB(1) 1150/99-00(01) and (02))

4. Members noted that the next Panel meeting would be held on 3 April 2000 at 10:45 am. The Chairman invited members to propose items for discussion and pass them to the Panel Clerk as soon as possible for preparation of the agenda for the meeting.

(Post-meeting note: At the request of the Administration and with the concurrence of the Chairman and the majority of members, the next meeting was postponed to 13 April 2000 at 4:30 pm.)

5. The Chairman also informed members that the Hong Kong Monetary Authority (HKMA) had invited members to visit the Hong Kong Note Printing Limited in Tai Po on 7 April 2000. The details would be circulated to members in due course.

(Post-meeting note: Members were informed the details for the visit vide LC Paper No. CB(1) 1171/99-00 dated 15 March 2000.)

IV Listing requirements and subscription arrangements for shares on the Growth Enterprise Market

(LC Paper Nos. CB(1) 1150/99-00(03) and 1165/99-00(01))

6. Members noted that the Administration and the Stock Exchange of Hong Kong Limited (SEHK) had respectively tabled an information paper on the subject. The papers set out the issues arising from the initial public offering (IPO) of Tom.com Limited in February 2000 on the Growth Enterprise Market (GEM). Enclosure 1 of the Administration's paper was a report prepared by the Securities and Futures Commission (SFC) relating to the granting of waivers to the company upon listing on GEM. Enclosures 2 and 3 were reports compiled by SFC and HKMA on the IPO subscription process between 18 and 23 February 2000.

Subscription arrangements

7. At the Chairman's invitation, Mr Andrew SHENG, Chairman of SFC, presented SFC's report at Enclosure 2 of the Administration's paper. He highlighted the following points of the report -

- (a) The regulator and the market expected that the sponsor could act as the overall manager of an IPO. In the case of Tom.com IPO, BNP Prime Peregrine (BNPPP), the IPO sponsor, should be responsible for putting in place a satisfactory subscription arrangement.
- (b) In view that BNPPP was a very experienced sponsor and that its chairman was quoted by the press on 18 February to have believed that the response to the IPO would be better than that of Beijing Enterprises (BE) (which received more than 300,000 applications), and that the price of each board lot of the shares was lower than that of BE, BNPPP should be in a position to foresee and should have foreseen the high retail interest in the shares giving rise to a very large turnout of prospective investors submitting their forms on the closing day of IPO on 23 February. BNPPP should have taken all reasonable steps to ensure that the necessary receiving arrangements were put in place to cope with the very large number of applications.
- (c) SFC did not accept BNPPP's arguments that it could not foresee such a huge demand from small investors, that it had taken all reasonable steps to accommodate the unforeseeable nature of demand, and that it was entitled to rely on the experience of the Hong Kong and Shanghai Banking Corporation (HSBC), the receiving bank for the IPO, for making the receiving arrangements.
- (d) SFC had recorded its disappointment to BNPPP for the incident.
- (e) On the way forward, SFC would consider incorporating the relevant requirements of sponsors in the proposed Corporate Finance

Practitioners Code of Conduct (the Code). Work in this respect was envisaged to be completed within three months. Moreover, SFC would work closely with other concerned parties to review IPO procedures and set down appropriate guidelines for smooth operation in IPO process.

8. Ms Emily LAU expressed grave concern about the chaotic situation at some of the receiving bank branches on the closing date of IPO. She enquired which party should be responsible for the matter and queried whether SFC had closely monitored the development of the incident and taken appropriate actions to ensure an orderly and smooth subscription process.

9. Mr SHENG said that SFC was particularly concerned about the chaotic receiving arrangements during the closing day of the IPO. SFC believed that all parties involved should bear responsibility. However, BNPPP as the overall manager of the IPO should bear the ultimate responsibility. As regards SFC's role in the matter, Mr SHENG stressed that SFC had been monitoring the incident closely. After learning the huge demand for application forms on 18 February, SFC requested and BNPPP confirmed that sufficient prospectuses and forms would be available to the public. Noting that more than 1.7 million forms were issued on 22 February, SFC contacted SEHK on the same day and request was made to BNPPP for ensuring an orderly submission and smooth processing of application forms. On 23 February morning, in view of the long queues and chaotic situation at some receiving bank branches, SFC and SEHK made the decision to extend the closing time of IPO to allow those investors who were in the queues before 12:00 noon to submit their forms after 12:00 noon. Mr SHENG expressed regret and apologies for the inconvenience caused to the public.

10. As to Ms LAU's concern that the incident might have adversely affected reputation of Hong Kong as an international financial centre, Dr K S LO, Chairman of GEM Listing Committee (Listing Committee), informed members that the enthusiastic response from the public to the IPO had increased international confidence in Hong Kong as a capital raising centre for growth enterprises. Some large multi-international enterprises from Association of South East Asian Nations countries had expressed interest in seeking listing on GEM following the Tom.com incident.

11. On the responsibility of the receiving bank, Mr James TIEN remarked that as the sole receiving bank appointed by the sponsor for the IPO, HSBC should, after learning the huge level of demand for application forms and the specific branches which had distributed large number of forms, have suggested BNPPP to increase the number of receiving bank branches and arrange additional resources to those branches anticipating a large turnout.

12. Mr SHENG said that as BNPPP and HSBC had given different accounts on allocation of responsibilities in the receiving arrangements, SFC was not in a position to ascertain which party had made the decision on whether to increase the number of receiving branches. However, he remarked that the role of a sponsor

should also include advising the issuer to ensure that other service providers including the receiving bank were competent to perform the delegated functions in connection with the IPO.

13. The Deputy Chief Executive, HKMA (DCE/HKMA) supplemented that one of the key issues in discussing the subscription process was the assessment of the likely demand. The sponsor originally only expected 10,000 applications. Notwithstanding that in the running up to the launch of IPO there was indication that the demand would be much larger and HSBC had requested for a total of 210,000 forms for distribution on 18 February 2000, the sponsor maintained its original estimate of 10,000 applications and decided to adopt a sole receiving bank with the minimum number of ten branches as collection points. Even with the normal response rate of 25% on 210,000 forms distributed, the receiving arrangement could be capable of handling 50,000 applications. Nonetheless, public response to IPO far exceeded expectations and about 465,000 applications had been received.

14. On why additional branches had not been added to receive applications, DCE/HKMA explained that while such suggestion was considered at various stages during the offer period, it was finally considered not feasible. He remarked that announcing more collection points could lead to further confusion. Even with notification of additional collection points, since the official list of ten collection points was shown on the application forms, it was considered unlikely that large number of applicants would have gone to the additional branches. Moreover, additional branches would not have relieved the pressure on key branches in densely-populated areas, such as Mongkok. With these considerations, additional resources were mobilized to support the original receiving branches instead. Actions were taken to bring in additional staff and security arrangements for receiving and processing applications. Police was contacted to assist in the management of queues. The closing time for submission of applications on the last day of IPO was extended. Additional resources were put in place within HSBC to handle the massive processing work and some processing work was outsourced to Hang Seng Bank. The processing of application forms proceeded smoothly. No disruption on the money market was observed.

15. As regards the responsibilities of the sponsor and the receiving bank for the matter, DCE/HKMA said that the sponsor should bear the primary responsibility. Apart from making an assessment of the likely reception of IPO as accurate as possible, the sponsor should agree with the receiving bank a formal contingency plan for dealing with unexpected situations. Some of the problems appeared during the subscription process might have been mitigated if both parties had put in place a pre-agreed contingency plan. Receiving banks should be more pro-active in the future and should suggest improvements on subscription arrangements where appropriate. They should make the sponsor know when they were not comfortable with the sponsor's instructions. To this end, HKMA noted that HSBC had taken immediate actions to prevent recurrence of similar events in forthcoming IPOs. These included increasing the minimum number of branches as

collection points for all IPOs from 10 to 20, drawing up contingency plan with sponsors in advance, and making sure that those branches involved in an IPO would have sufficient resources and necessary arrangements to handle the IPO. HKMA observed that IPOs which launched after Tom.com recently, despite heavily oversubscribed, had been conducted orderly.

16. Pointing out that the share price of Tom.com on the first day of the listing was substantially higher than its issue price, Mr NG Leung-sing enquired whether estimation on the issue price was realistic.

17. Mr Alec TSUI, Chief Operating Officer, Hong Kong Exchanges and Clearing Limited, and Dr K S LO, stressed that the issue prices of GEM stocks were commercial decisions to be determined by the issuers and sponsors concerned. SEHK and the Listing Committee had no part to play in the process. Mr TSUI added that recent volatilities in GEM followed similar behaviour in other major markets, such as NASDAQ. Since majority of the companies on GEM was engaging in technology-related businesses which were still in infant stage of development and not yet making any profit, it would be difficult to assess the value of their stocks. The investors should therefore be aware of the risks involved in investing in these stocks.

18. Mr CHEUNG Man-kwong asked whether SFC, apart from expressing disappointment at BNPPP's unsatisfactory receiving arrangements for the IPO, would consider imposing other sanctions on BNPPP, such as revoking its registration as a GEM sponsor and initiating an inquiry into BNPPP since there were allegations that the sponsor had deliberately built up the market appetite for the shares.

19. Mr SHENG explained that there was no specific provision in the current legislation or the Code for SFC to impose sanction on any parties in respect of inability to put in place satisfactory receiving IPO arrangements. SFC could not take disciplinary action against BNPPP. Nonetheless, SFC would consider specifically incorporating the relevant requirements of IPO sponsors in the Code to clearly spell out the roles and responsibilities of the sponsor in the subscription process and to stipulate that a sponsor's ability to discharge these responsibilities in a satisfactory manner would be taken into account in assessing its fitness and properness for continued registration with SFC.

20. As to the question whether BNPPP had deliberately created a false market for the shares, Mr SHENG said that SFC had not found any evidence showing BNPPP had manipulated market sentiment on the IPO. Mr SHENG refrained from making comments on whether SFC would initiate an inquiry into the matter as section 59 of the Securities and Futures Commission Ordinance (Cap. 24) prohibited the regulator from disclosing confidential information obtained in the course of performing regulatory functions. However, he stressed that SFC would take appropriate follow up actions for market malpractice discovered which included conducting investigation into possible breaches of statutory offences.

The processing of listing applications

21. Mr SHENG brought members through SFC's report on wavier issues on Tom.com at Enclosure 2 of the Administration's paper. He highlighted the salient points in the report as follows -

- (a) Public concerns focused mainly on whether Tom.com had been given priority treatment in the processing of the listing application and granted with unique waivers.
- (b) The regulatory regime of GEM relied mainly on its Listing Rules. Shortly after the Listing Rules were approved in July 1999, concern was expressed by SEHK that some relaxation in the rules was necessary in the light of the special nature of technology companies. SFC however, maintained the view that a formal review should be taken within six months from the launch of GEM which took place in November 1999 before any relaxation was made.
- (c) In view of public concerns on Tom.com incident, SFC and SEHK had agreed that the review on the GEM Listing Rules should be conducted as soon as possible ahead of the originally scheduled six-month period. A full market consultation would be conducted to gauge public and market comments as to whether certain rules should be relaxed. Pending finalization of the review, only limited waivers on certain listing requirements would be granted. Meanwhile, guidelines for granting waivers were announced in the joint press release issued by the two bodies on 11 March 2000.

22. Ms Emily LAU expressed concern on whether Tom.com had been given preferential treatment in its listing process. Pointing out that the relaxation of staff stock option limit to 50% of the company's issued capital had been made prior to the formal review of the GEM Listing Rules, she was concerned about possible abuse of power by the market operator in this regard.

23. Dr LO stated that no preferential waivers had been granted to Tom.com. None of the waivers granted were unique to the company, nor was it the first company to request these waivers. Regarding the relaxation of the restrictions on share option schemes, Dr LO informed members that apart from Tom.com, the same wavier was granted to Hongkong.com and another company which was pending listing approval. As to the wavier relating to reduction of the moratorium requirement for management shareholders, Far Eastern Polychem Industries Limited was the first GEM company applied for and was granted the waiver in January 2000. Besides Tom.com, two other companies were granted the same waiver. Dr LO stressed that the approach of granting waivers was motivated by the desire to promote GEM and to boost its competitiveness against hi-tech boards in other major markets. He further mentioned that even after the waivers, the standard was still more stringent than that at NASDAQ.

24. On the concern that the waivers had been granted in the absence of SFC approval, Mr TSUI explained that SEHK was empowered by reference to the circumstances of specific cases to waive strict compliance with the Listing Rules. The flexibility to exercise the power lied with the Listing Committee.

25. Mr SHENG remarked that, SEHK, as the front-line market operator should be given flexibility in exercising its power of waiver on compliance with the Listing Rules. Nonetheless, SFC, as the overall market regulator, was concerned about investor protection as well as the maintenance of a level playing field and market transparency in the process. Hence, SFC had decided that any proposal for revision of the Listing Rules should be subject to general public consultation.

26. As regards concern about possible abuse of power by the GEM Listing Committee on the matter, Dr LO stressed that, the GEM Listing Committee was a widely representative body comprising market participants, professionals and lay members, and being closely monitored by SFC. It would be impossible that the GEM Listing Committee would abuse its power.

27. In reply to Mr NG Leung-sing's enquiry about the "fast-track" processing of Tom.com's listing application, Mr TSUI explained that the Listing Rules provided that applications should be submitted 25 clear business days before the provisional Listing Committee hearing date to allow sufficient time for proper consideration by the GEM Listing Division and the Listing Committee. Prior to the application of Tom.com, about half of the listing applications were processed in less than 25 days among which four were processed in 20 to 24 days and one in 12 days. The processing on Tom.com could be completed within eight days by early February 2000 because the market was comparatively quiet around the Chinese New Year when there were few applications during the period. Mr TSUI added that the "fast track" approach was adopted as a marketing tool to attract listings on GEM in January. He assured members that SEHK would process applications on a first-come-first served basis and would examine every application with the same care and diligence.

The target and regulation of GEM

28. Mr James TIEN opined that with relaxation of the Listing Rules to cater for the special nature of large technology companies, the original purpose of GEM to help small and medium growing enterprises in both the territory and the region to raise capital might be changed. He remarked that it might be necessary to set up an advisory committee to review the objective and future development of GEM.

29. Dr LO said that while the mission of GEM to enhance fund raising for development of growth enterprises remained unchanged, the rapid changes in Hong Kong economy, the advancement in technology worldwide and considerable growth in new businesses in recent years, such as internet, had necessitated

changes in GEM marketing strategy. One of these changes would be to relax the Listing Rules to facilitate listings in GEM. Currently, some GEM Listing Rules were found too stringent when compared with those of overseas hi-tech boards. SEHK was aware that the success of GEM lied with its ability to attract more listings to build up the critical mass, because institutional investors preferred bigger and more liquid markets. GEM was targeting high quality companies in the fast-evolving information technology sector of the economy in order to enhance the reputation of GEM and the liquidity of the market. The listing of high quality companies would bring in international technology analysts to Hong Kong. The analysts would then also cover smaller companies on GEM. This spill-over effect would help investment in smaller companies in the long run.

30. Noting that the relaxation of the Listing Rules and the increasing participation of retail investors in the market, Mr CHEUNG Man-kwong expressed concern about protection for the interest of small investors investing in GEM.

31. In response, Dr LO stressed that the Listing Committee was well aware of public concern on the need to strike a right balance between attracting high quality companies on GEM in competition with other markets and putting in place an appropriate regulatory framework for the protection of investor interests. The original requirement for a minimum amount of \$250,000 per transaction for GEM was not pursued due to opposition from market practitioners on reason that this would favour institutional investors. As regards protection for small investors on GEM, Dr LO said that a number of investor protection measures were built into the GEM Listing Rules. These included requirement for IPO sponsors to act as the advisers for the listed companies for two financial years after listing, requirement of quarterly financial reports from companies on GEM as opposed to the half-yearly report requirement for companies on the Main Board, stringent requirements on disclosure and corporate governance structures on companies, as well as requirements for risk warning to investors.

32. Mr SHENG stressed that GEM was a disclosure-based market and issuers were required to make appropriate and timely disclosures so that investors could make their own informed investment decisions. Apart from stepping up its efforts in market surveillance, SFC in collaboration with SEHK and the Securities Institute had been organizing investor publicity and education programmes to promote investors' awareness of the higher risks involved in investing in GEM. Moreover, with a view to enhancing investor protection, a legislative proposal to criminalize the provision of false information would be introduced into the Legislative Council (LegCo) later this month.

33. Responding to Mr SIN Chung-kai's suggestion for the Administration to research into regulatory regimes of hi-tech boards in overseas markets to make sure that the regulatory framework for GEM was on a par with international standards, Mr SHENG advised that SFC was planning to undertake a study to examine the listing rules and investor protection issues of NASDAQ with a view to exploring measures for improving the regulatory framework of GEM. He

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agreed to provide a copy of the study report when it was available. On the international front, Mr SHENG informed that the International Organization of Securities Commissions had set up a committee to study the issues relating to regulation of high-technology stocks. SFC being a member of the organization would actively participate in the study.

34. As to Ms Emily LAU's proposal to explore the feasibility of providing the Listing Rules with the force of law in order to enhance their effectiveness, Dr LO remarked that as Listing Rules were terms of a contract entered into between the exchange and the concerned company, there would be difficulty in turning them into statutory rules. Mr SHENG advised that notwithstanding that at present, listing rules of world major exchanges were non-statutory, a lot of overseas jurisdictions were reviewing the issue. The subject would also be examined under the composite Securities and Futures Bill to be introduced in due course. While SFC noted the merits in providing listing rules with statutory backing, it recognized that non-statutory rules could provide market bodies with flexibility in response to rapid changes in the market.

Conclusion

35. The Principal Assistant Secretary for Financial Services said that the Administration had taken note of the reports submitted by SFC, HKMA and SEHK on the incident. Regarding measures for improvement in IPOs in the future, the Administration supported that there should be increased transparency in IPO process. There also needed to be closer co-operation, good communication and a climate of trust among concerned parties during the process. It also welcomed the regulators' suggestion of promoting public subscription by electronic means in the longer term and believed that the suggestion would be followed up by the Steering Committee on the Enhancement of Financial Infrastructure which was formed in 1999 to study improvements to the financial infrastructure in Hong Kong.

V Securities and Futures Legislation (Provision of False Information) Bill 2000 (Legislative Council Brief (Ref. SU B48/2))

36. The Deputy Secretary for Financial Services (DS/FS) briefed members on the captioned Bill which had been scheduled for introduction into LegCo on 15 March 2000. She explained that the object of the Bill was to make the providing of false or misleading information to SFC and market front-line operators including the exchanges, clearing houses and recognized exchange controllers a criminal offence. The details of the Bill were contained in the LegCo Brief.

37. On the background of the legislative proposal, DS/FS said that it was part of the 30-point Programme announced by the Financial Secretary in early September 1998 with a view to further strengthening the discipline and

transparency of the securities and futures markets. She stressed that with increasing reliance on disclosure as a safeguard of investor interests and the international trend towards requiring better and more disclosure of information to promote market transparency and efficiency, the Bill would help strengthening the capabilities of regulatory bodies and upholding the integrity of the market for investor protection. Mr SHENG, added that the proposal would put forward a clear message to the market that false or misleading reporting to SFC and front-line market operators would not be tolerated and would be penalized as criminal offences. The proposal was also in line with the regulatory practices in other major international financial markets.

38. While expressing support for the Bill, Mr CHEUNG Man-kwong and Mr SIN Chung-kai opined that in order to enhance investor protection, the Administration should explore the feasibility of including provisions in the Bill to allow a third party, who had suffered loss as a result of the false or misleading information provided to the regulatory bodies by a person, to seek remedy after the person had been convicted of the criminal offence.

39. In response, DS/FS explained that at present, a person suffered loss as a result of another person's misconduct in the market could seek redress under common law or rules of equity. The injured person could also initiate civil proceedings against the misconduct person. However, it would be outside the scope of the Bill to provide an avenue for third parties affected by the provision of false or misleading information to seek redress. Nonetheless, there was a proposal under the composite Securities and Futures Bill to provide a statutory right of action for private litigants. The injured party would be provided with a private cause of action for seeking relief for loss resulting from another person's violation of securities laws. The Administration intended to introduce the composite Bill in the form of a White Bill in due course. More details would be available in early April 2000.

40. On enquiries about public consultation on the Bill and the issues of concern therein, DS/FS responded that the front-line market operators had been consulted and they all supported the legislative change. SFC also sought the views of selected industry and professional groups when developing the legislative proposal. Over 20 written submissions had been received which expressed concerns about the extensive scope of the Bill and the kinds of information to be covered, as well as possible overlapping of the new offence provision with existing statutory provisions. After considering the views expressed, the Administration had re-defined the scope of the Bill to make it more specific. Under the revised proposal, the offences committed by giving false or misleading information would be divided into two tiers, i.e. Statutory Reporting (SR) and General Reporting (GR), according to the basis on which the information was provided. In respect of SR, the principal elements of the offence were that the person knowingly provided false or misleading information to the regulatory bodies, or that he did not believe that the information provided was true and accurate. SR offence provision would not apply where an existing statutory provision which imposed an obligation to provide information, already had a

specific criminal sanction for the offence. As for GR, a higher threshold would be required for invoking the two offence provisions. Apart from the principal elements which appointed in the case of SR, the prosecution also had to satisfy the court that the information so provided was relevant to the performance of a regulatory function of the regulatory bodies and that the latter had relied on the information given by the person.

41. In view that the interest of the investing public could be better protected as soon as the Bill was enacted, Mr SIN Chung-kai suggested that the Administration could brief members on the details of the Bill and collect their views at special meetings of the Panel instead of having the Bill awaited its turn to be scrutinized by a Bills Committee. Sharing Mr SIN's view on the urgency of the Bill, DS/FS stressed that it was up to members to decide whether a Bills Committee should be formed to study the Bill. Should a Bills Committee be formed on the Bill, the Administration would request the LegCo to give priority to scrutinize the Bill.

42. The Chairman remarked that the decision on whether to form a Bills Committee to study a particular bill rested with the House Committee. Ms Emily LAU said that the Administration should propose to the House Committee if it considered that the Bill should be given priority. The House Committee would then decide on whether the request should be acceded to.

VI Any other business

43. There being no other business, the meeting ended at 12:50 p.m.