

For discussion on
18 March 2004

File Ref.: B9/32C

**Bills Committee on
Clearing and Settlement Systems Bill**

Proposed Discussion Schedule

The attached table sets out a proposed discussion schedule to take forward the Clearing and Settlement Systems Bill. Given the length and technical complexity of the Bill, and the target to enact the Bill in this legislative session, the Bills Committee may wish to convene meetings on a weekly basis with each meeting lasting for approximately two hours. Members may also wish to reserve additional meeting slots from mid-May 2004 onwards in case of need. The schedule will, of course, be subject to review from time to time in the light of progress made by the Bills Committee.

2. The discussion schedule puts forward a structure for examining the various issues relating to the Bill. The Bills Committee may wish to address first the key policy issues and general principles in two meetings, and proceed on to clause by clause examination thereafter.

3. Since the passage of this Bill in this legislative session is important for Hong Kong's financial and monetary stability as well as our standing as an international financial centre, the Administration appeals to Members for supporting the proposed discussion schedule. Subject to Members' advice, we are prepared to provide relevant background materials to facilitate Members' deliberations.

Hong Kong Monetary Authority
Financial Services and the Treasury Bureau
15 March 2004

**Bills Committee (“BC”) on
Clearing and Settlement Systems Bill (“CSS Bill”)
Proposed Discussion Schedule**

<i>Week</i>	<i>Topic / Section of the Bill to be discussed</i>
18 Mar	<p><u>1st BC meeting</u></p> <ul style="list-style-type: none"> - Election of BC chairman - Introduction of background of CSS Bill by the Administration - Endorsement of proposed Discussion Schedule - Summary of comments received and the Administration’s response
22 – 27 Mar	<p><u>2nd BC meeting</u></p> <ul style="list-style-type: none"> - Deliberations on policy issues and general principles: the proposed designation regime (Part 2 of the CSS Bill) covering criteria for designation, revocation of designation, requirements on designated systems, the Monetary Authority’s oversight powers; appeal mechanism and penal regime (Part 4 and Part 5 of the Bill)
29 Mar – 3 Apr	<p><u>3rd BC meeting</u></p> <ul style="list-style-type: none"> - Deliberations on policy issues and general principles: finality of settlement (Part 3 of the Bill) covering scope of protection and interface with insolvency laws
5 – 10 Apr <i>Remark: only 6 – 8 Apr (Tue – Thu) are working days</i>	<p><u>4th BC meeting</u></p> <ul style="list-style-type: none"> - Clause by clause examination: Part 1 (Preliminary); Part 2 (Designation and Oversight); Schedule 2
12 – 17 Apr <i>Remark: 12 Apr (Mon) is a holiday</i>	<p><u>5th BC meeting</u></p> <ul style="list-style-type: none"> - Clause by clause examination: Part 3 Divisions 1 to 3 (Interpretation, Certificate of finality, Finality of transactions and proceedings within designated systems)
19 – 24 Apr	<p><u>6th BC meeting</u></p> <ul style="list-style-type: none"> - Clause by clause examination: Part 3 Divisions 4 and 5 (Netting of obligations of insolvent participants, Miscellaneous)

26 Apr – 1 May <i>Remark: 1 May (Sat) is a holiday</i>	<u>7th BC meeting</u> - Clause by clause examination: Part 4 and Schedule 1 (Appeals Tribunal)
3 – 8 May	<u>8th BC meeting</u> - Clause by clause examination: Part 5 (Offences) and Part 6 (Miscellaneous)
10 – 15 May	<u>9th BC meeting</u> - Wrapping up and consideration of Committee Stage Amendments (“CSAs”) <i>Reserve meeting slot</i>
17 – 22 May	<u>10th BC meeting</u> - Wrapping up and consideration of CSAs <i>Reserve meeting slot</i>
24 – 29 May <i>Remark: 26 May (Wed) is a holiday</i>	<i>Reserve meeting slot</i>
31 May – 5 Jun	<i>Reserve meeting slot</i>
7 – 12 Jun <i>Remark: Last LegCo sitting is on 7 July 2004</i>	Target date for reporting to the House Committee

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