

**LegCo Panel on Financial Affairs**

**List of follow-up actions arising from discussions in previous sessions**  
(Position as at 1 December 2004)

<b>Subject</b>	<b>Date(s) of relevant meeting(s)</b>	<b>Follow-up actions</b>	<b>Outcome</b>
1. Reinsurance cover for employee compensation insurance policies	20 December 2001	The Administration was requested to provide written reports, on a quarterly basis, on the up-to-date market situation of reinsurance coverage for terrorist activities on treaty arrangements and the Administration's assessment of the continued need for the \$10 billion facility as approved by Finance Committee on 11 January 2002.	The tenth quarterly report provided by the Administration was circulated to members vide LC Paper No. CB(1)2391/03-04(01) on 13 July 2004.
2. Loan Guarantee Scheme for Severe Acute Respiratory Syndrome Impacted Industries	Referred by the Finance Committee at its meeting held on 25 April 2003	The Administration undertook to report the operation of the Scheme to the Panel one year after its implementation, and to submit progress report at six month intervals thereafter.	The second report on the operation of the Scheme was circulated to members vide LC Paper No. CB(1)356/04-05(01) on 29 November 2004.
3. Briefing by Financial Secretary on Hong Kong's latest overall economic situation	6 December 2003	The Administration was requested to provide information in due course regarding the estimated number of jobs created in Hong Kong as a result of the "individual visit" scheme for the Mainland visitors to Hong Kong and the Closer Economic	According to Financial Secretary's Office's interim reply dated 8 October 2004, the Administration is following up the request. It advises that given the

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		Partnership Arrangement between the Mainland and Hong Kong.	complexity of the subject, the Administration needs more time to compile the information.
4. Briefing on the work of the Hong Kong Monetary Authority (HKMA)	1 November 2004	HKMA was requested to provide information in due course on the outcome of its review of findings by authorized institutions regarding the terms and conditions for banking services, including safe deposit box service.	Information awaited.
5. Briefing on the draft Citibank (Hong Kong) Limited (Merger) Bill	1 November 2004	<p>Dr Hon David LI, Citibank N.A. and the Administration were requested to provide the following information:</p> <p><u>Information to be provided by Dr LI and Citibank N.A. -</u></p> <p>(a) the reasons for the proposed transfer of the activities, assets and liabilities which constituted the retail banking business of Citibank N.A. in Hong Kong, currently operated through a branch in Hong Kong (Citibank, Hong Kong Branch), to a wholly owned subsidiary within the Citibank group of companies (Citibank (Hong Kong) Limited);</p> <p>(b) whether Citibank had conducted similar</p>	The responses provided by Dr LI and Citibank N.A., and the Administration were circulated to members vide LC Paper No. CB(1)313/04-05(02) and CB(1)313/04-05(03) respectively on 23 November 2004.

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		<p>transfer exercises for its retail banking business in other places; if it had, to provide details of the exercises; if it had not, to provide the reasons for conducting such a transfer exercise for its retail banking business in Hong Kong;</p> <p>(c) impact of the proposed transfer, in particular the transfer of liabilities, on the existing customers of Citibank, Hong Kong Branch, and to explain how customers' interests would be protected after the proposed transfer;</p> <p>(d) whether the existing customers of Citibank, Hong Kong Branch had been consulted on the proposed transfer; if they had, to provide the outcome of the consultation; if they had not, to provide the reasons; and</p> <p>(e) whether the existing staff members of Citibank, Hong Kong Branch had been consulted on the proposed transfer; if they had, to provide the outcome of the consultation; if they had not, to provide the reasons.</p> <p><u>Information to be provided by the Administration -</u></p>	

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		<p>(f) the reasons why the Administration was in support of the Bill;</p> <p>(g) whether the reasons for the proposed transfer were compatible with Government policy; and</p> <p>(h) impact of the proposed transfer on the capital requirements and level of supervision by HKMA on the bank concerned.</p>	