

Panel on Financial Affairs

List of outstanding items for discussion

(as at 4 December 2009)

**Proposed timing
for discussion at
Panel meeting**

1. Companies Ordinance Rewrite

The Administration proposes to brief the Panel on the progress of the Companies Ordinance Rewrite, including the first phase of the public consultation which will be launched in mid-December 2009, and the issues highlighted for consultation. The Administration aims to introduce the Bill to Legislative Council (LegCo) in late 2010.

January 2010

2. To abolish the case stated procedure as stipulated in section 69 of the Inland Revenue Ordinance (Cap. 112) and to empower the Board of Review to impose pre-hearing directions and sanctions for non-compliance

At present, if an appellant or the Inland Revenue Department would like to seek the opinion of the Court of First Instance on question of law arising from the decision of the Board of Review, the party concerned should make an application requiring the Board to state a case. The Administration proposes to abolish the above procedure so that the party concerned can lodge direct appeal to the Court of First Instance. Besides, the Administration proposes to empower the Board of Review to impose pre-hearing directions and sanctions for non-compliance in order to smooth its operation. The Administration proposes to consult the Panel on the issue in January 2010 and aims to introduce the bill into LegCo in May 2010.

January 2010

3. Proposal to revise fees and charges for services not directly affecting people's livelihood under the purview of the Treasury Branch

The Administration proposes to consult the Panel on proposals relating to the revision of fees and charges which do not directly affect people's livelihood or general business activities.

January 2010

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4. **Briefing on the work of the 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.

February 2010
May 2010

5. **Review of the Trustee Ordinance and related matters**

The Administration proposes to brief the Panel on consultation conclusions and proposed legislation.

February 2010

6. **Budget of the Securities and Futures Commission for the financial year of 2010-11**

In line with the usual practice, the Securities and Futures Commission will brief the Panel on the main features of its budget for the coming financial year.

March 2010

7. **Companies Ordinance Rewrite**

The Administration proposes to brief the Panel on Round 2 of the public consultation on the draft Companies Bill and Companies Bill Team manpower matters. The Administration aims to introduce the bill into LegCo in late 2010.

March 2010

8. **Review of corporate rescue procedure legislative proposals**

The Administration proposes to brief the Panel on the public consultation feedback on corporate rescue procedure legislative proposals.

April 2010

9. **Briefing on the work of the Financial Reporting Council**

In line with the usual practice, the Financial Reporting Council will brief the Panel on its work in the past year.

April 2010

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10. Proposed establishment of an independent Insurance Authority

The Administration proposes to consult the Panel on the proposal for establishing an independent Insurance Authority, including its functions and powers, governance structure, organization framework and funding mechanism.

May/June 2010

11. Briefing by the Financial Secretary (FS) 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 2010

12. Proposed establishment of Policyholders' Protection Fund (PPF)

The Panel was briefed on the proposed framework for the establishment of PPF at the meeting on 6 July 2009. The Administration proposes to consult the Panel on detailed proposals of PPF, including the scope of coverage, the levy rates and the corresponding levels of compensation, compensation limits and the target fund size, the governance framework as well as other detailed operational arrangements.

July 2010

13. Companies Ordinance Rewrite

The Administration proposes to brief on the latest progress of the rewrite of the Companies Ordinance and the legislative proposals. The Administration aims to introduce the bill into LegCo in late 2010.

July 2010

14. Proposed amendments to the Inland Revenue Ordinance (Cap 112) and Stamp Duty Ordinance (Cap. 117)

The Administration proposes to brief the Panel on the proposals for amending the Inland Revenue Ordinance and Stamp Duty Ordinance, which aim at leveling the playing field for Islamic bonds vis-à-vis conventional bonds in terms of taxation arrangements.

To be confirmed

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15. Legislative proposal on review of the Deposit Protection Scheme (DPS)

The Hong Kong Deposit Protection Board (the Board) briefed the Panel on the public consultation on the first phase of its review of DPS at the Panel meeting held on 1 June 2009. The Board provided a report on the first phase consultation and a consultation paper on strengthening the operation of DPS in August 2009 in respect of the second phase of the review (LC Paper No. CB(1)2491/08-09). The second phase report was issued on 30 November 2009 (LC Paper No. CB(1)532/09-10). The Administration proposes to brief the Panel on the legislative proposal for amending the DPS Ordinance, with a view to putting in place the enhancement measures as recommended in the DPS review.

To be confirmed

16. Policy response to the review of HKMA's work on banking stability

HKMA will brief the Panel on the policy response to the review report.

To be confirmed

17. Review of the "abscondee" regime under the Bankruptcy Ordinance (Cap.6) (BO)

In the course of deliberation, members of the Bills Committee on Statute Law (Miscellaneous Provisions) Bill 2007 were advised by the Administration of its plan to review the "abscondee" regime (i.e. bankrupts who left Hong Kong and could not be contacted) under BO. The Administration further advised that taking into account the policy content involved in the review, and the fact that more time would be needed to study the issue and conduct necessary research into relevant developments in other common law jurisdictions and consultations, it was not appropriate or possible to include legislative amendment proposals with respect to the "abscondee" regime as a whole in the Bill. Any proposed legislative amendments to the "abscondee" regime should be taken forward in a separate exercise.

To be confirmed

Members of the Bills Committee were concerned about the timeframe for introducing the proposed legislative amendments to the "abscondee" regime and whether public

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consultation would be conducted. The Bills Committee agreed that the issues should be referred to the Panel for follow-up. The Administration subsequently advised that it was in the process of conducting a research on the "abscondee" regime. Depending on the results of the research in 2009, it will then be in a better position to assess the scope of necessary amendments to BO and the likely timing to pursue such amendments.

Council Business Division 1
Legislative Council Secretariat
4 December 2009