

Panel on Financial Affairs

List of Follow-up actions
(Position as at 30 May 2014)

Subject	Date(s) of relevant meeting(s)	Follow-up actions	Outcome
1. Briefing on the work of the Financial Services Development Council ("FSDC")	6 January 2014	<p>In following up the first batch of six research reports released by FSDC in November 2013, the Administration was requested to update the Panel as soon as possible on the Government's response to the recommendations put forward in the reports, including –</p> <p>(a) the recommendations which the Government would take forward or consider further, the initial plans of the Government and the relevant timetables in this regard; and</p> <p>(b) the recommendations which the Government considered not appropriate for pursuing and the reasons concerned.</p>	The Administration's response is awaited.
2. Briefing on the work of Hong Kong Monetary Authority ("HKMA")	5 May 2014	<p>HKMA was requested to provide the following information –</p> <p>(a) distribution of bank branches and automatic teller machines in Hong Kong; and</p> <p>(b) with regard to the SME Financing Guarantee Scheme and Microfinance Scheme operated by the Hong Kong Mortgage Corporation Limited,</p>	HKMA's response is awaited.

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		<p>information on (i) success rate of applications; (ii) number of defaults and amounts involved, if any; and (iii) assessment of the cost-effectiveness of the said schemes, including the economic benefits brought to Hong Kong.</p>	
<p>3. Mandatory Provident Fund Schemes (Amendment) Bill 2014</p>	<p>5 May 2014</p>	<p>1. Regarding the Administration's proposal to include terminal illness as the new additional ground for early withdrawal of Mandatory Provident Fund ("MPF") accrued benefits by scheme members, the Administration/Mandatory Provident Fund Schemes Authority ("MPFA") was requested to consider and provide written response on the following suggestions raised by some Panel members –</p> <p>(a) to relax the requirement on the remaining life expectancy of 12 months in respect of terminal illness given that the provision of a medical certificate that a person was suffering from a terminal illness or a certain stage of the terminal illness should suffice to justify the early withdrawal; and</p> <p>(b) to allow early withdrawal of MPF accrued benefits by scheme members for meeting expenses on medical examination, treatment or surgery which was essential to enable early diagnosis and healing of terminal illnesses.</p>	<p>The Administration/MPFA's response is awaited.</p>

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		<p>2. On the Administration's proposal to allow MPF scheme members to withdraw accrued benefits by instalments upon retirement and early retirement, the Administration/MPFA was requested to consider and provide written response to the suggestion of providing greater flexibility in withdrawal, including increasing the number of withdrawals per year that were free of charge.</p> <p>3. The Administration/MPFA was also requested to consider providing incentives (e.g. a higher percentage of guaranteed return from the MPF investment concerned) to encourage scheme members to opt for phased-withdrawal of MPF accrued benefits instead of one-off withdrawal in a lump sum, so that scheme members would better plan the use of the retirement funds.</p>	