

香港特別行政區政府
財經事務及庫務局
財經事務科
香港添馬添美道二號
政府總部二十四樓



FINANCIAL SERVICES BRANCH
FINANCIAL SERVICES AND
THE TREASURY BUREAU
GOVERNMENT OF THE HONG KONG
SPECIAL ADMINISTRATIVE REGION

24TH FLOOR
CENTRAL GOVERNMENT OFFICES
2 TIM MEI AVENUE
TAMAR
HONG KONG

電話 TEL.: 2810 2061
圖文傳真 FAX.: 2529 1663
本函檔號 OUR REF.: MPF/2/1/43C
來函檔號 YOUR REF.:

LC Paper No. CB(1)1213/20-21(02)

18 August 2021

Mr Boris Lam
Clerk to Bills Committee on Mandatory Provident
Fund Schemes (Amendment) Bill 2021
Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road
Central
Hong Kong

Dear Mr Lam,

**Mandatory Provident Fund Schemes (Amendment) Bill 2021 (the Bill) -
Follow-up matters arising from the discussion
at the meeting on 4 August 2021**

In response to the issues raised by members at the Bills Committee meeting on 4 August 2021, our reply is set out below.

Disclosure of personal account information to scheme members

2. Under the current legislative framework, the Mandatory Provident Fund (MPF) System is privately-managed and operated under a decentralised landscape where MPF scheme administration work is handled by individual MPF trustees (and their appointed service providers). Since members' information such as account number and investment holdings is kept by individual trustees, the legislative framework is designed in such a way that scheme members would need to obtain relevant information about their account

from the trustee concerned to safeguard their personal data and privacy. Against this backdrop, the Personal Account Register, established and maintained by the Mandatory Provident Fund Schemes Authority (MPFA) pursuant to section 157B of the Mandatory Provident Fund Schemes (General) Regulation (MPFSGR) for members to enquire about their personal accounts, currently limits the information available to the following items:

- (a) the member's personal particulars, e.g. name, Hong Kong Identity Card/travel document number;
- (b) the number of personal accounts established and maintained by the member; and
- (c) contact information of the approved trustees with which the member's personal accounts are maintained.

3. Given that many MPF scheme members hold more than one personal account and members do not necessarily consolidate these accounts, we agree that the existing framework is inadequate from a user experience perspective, and see an opportunity to refine the current framework by leveraging on the development of the eMPF Platform as a common electronic platform. In this connection, the proposed Central Register to be established by the system operator (i.e. the eMPF Platform Company Limited) pursuant to the new section 19S of the Mandatory Provident Fund Schemes Ordinance proposed by the Bill, will serve as a "one-stop shop". With the implementation of the eMPF Platform, scheme members could view the information about all of their MPF accounts across different schemes and trustees at a glance anytime and anywhere on one single platform to facilitate their MPF investment management and account consolidation.

Statistics on Default Investment Strategy (DIS)

4. As of end March 2021, there were 10.33 million MPF accounts in the MPF System, of which 4.39 million (43%) were contribution accounts and 5.94 million (57%) were personal accounts. Out of these MPF accounts, around 2.46 million accounts (23.8%) wholly or partly invested according to the Default Investment Strategy (DIS) or invested in the two constituent funds of DIS. The MPFA does not have the information on the account type (e.g. contribution account or personal account) of the accounts invested according to the DIS or invested in the two constituent funds of DIS.

5. Regarding Members' request for more analysis of the accounts with DIS investment, the information about MPF accounts held by scheme members who newly participated in MPF schemes may help shed light on the latest situation. Among the MPF accounts held by scheme members who newly participated in MPF schemes in 2020, 22.9% of them are accounts wholly or partly invested according to the DIS or invested in the two constituent funds of DIS. This figure is comparable with the corresponding ratio for the MPF System mentioned in paragraph 4 above.

Yours sincerely,



(Miss Cheryl Chow)
for Secretary for Financial Services and the Treasury

c.c. Mandatory Provident Fund Schemes Authority
(Attn: Ms Gabriella YEE, Executive Director (Policy))
Department of Justice
(Attn: Ms Frances HUI, Senior Assistant Law Draftsman
Mr Michael CHOI, Senior Government Counsel (Acting))