

Panel on Financial Affairs

List of outstanding items for discussion
(as at 28 March 2022)

**Proposed
timing for
discussion at
Panel meeting**

1. Briefing on the work of Hong Kong Monetary Authority (“HKMA”)

The Chief Executive, Deputy Chief Executives and Senior Executive Director of HKMA brief the Panel on the work of HKMA on a regular basis. Such briefings are normally held in February, May and November each year.

May 2022

2. Updates on Financial Services Development Council (“FSDC”)

In line with the usual practice, FSDC will brief the Panel on its work progress in the past year and its work plan for the coming year.

May 2022

3. Legislative proposals to implement a risk-based capital regime for the insurance industry of Hong Kong

The Administration will brief the Panel on the legislative proposals to implement a risk-based capital regime for the insurance industry of Hong Kong. The Administration plans to introduce the relevant legislative proposals into the Legislative Council (“LegCo”) in December 2022.

May 2022

**Proposed
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discussion at
Panel meeting**

4. Proposed legislative amendments to the Bankruptcy Ordinance and Companies (Winding-up and Miscellaneous Provisions) Ordinance

The Administration will brief the Panel on the proposed legislative exercise of the Bankruptcy Ordinance (Cap. 6) and Companies (Winding-up and Miscellaneous Provisions) Ordinance (Cap. 32) for implementation of an electronic submission system of Official Receiver's Office and streamline the requirements of gazette and newspaper advertisement. The Administration plans to introduce the relevant legislative proposals into LegCo in November 2022.

May 2022

5. 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 2022

6. Development of financial technologies ("Fintech") in Hong Kong and measures in tackling financial fraud

In view of the increasing number and complexity of financial fraud in recent years, members suggested at the meeting on 25 January 2022 that the Administration should brief the Panel on measures and enforcement actions in tackling financial fraud.

June 2022

Pursuant to the work plan meeting of the Panel on 9 February 2022, the Administration will update the Panel on various initiatives taken by the Government to facilitate Fintech development of Hong Kong, and brief the Panel on issues relating to tackling financial fraud.

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7. Implementation of the base erosion and profit shifting (“BEPS”) 2.0 package

The Organisation for Economic Co-operation and Development promulgated international tax rules to address the BEPS risks arising from the digitalization of the economy (commonly known as “BEPS 2.0”). All participating jurisdictions, including Hong Kong, have committed to implementing BEPS 2.0 with effect from 2023.

June 2022
(to be confirmed)

The Administration will consult the Panel on the legislative proposals to implement the rules of BEPS 2.0 and other related tax measures. The Administration plans to introduce the relevant legislative proposal into LegCo in December 2022.

8. Regulation of Qualifying Deferred Annuity Policies (“QDAPs”)

At the meeting on 25 January 2022, members suggested that the Administration and relevant regulatory bodies should brief the Panel on the regulatory requirements of QDAPs eligible for tax deduction, including measures to enhance the transparency of such products.

July 2022

9. Proposed legislative framework to amend the tax arrangements for offshore passive income

The Administration will consult the Panel on the proposal to amend the tax arrangements for offshore passive income for companies with no substantial economic activity in Hong Kong with a view to combating cross-border tax evasion and addressing the concerns of the European Union about situations of double non-taxation in relation to such companies.

To be confirmed

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10. Developing Hong Kong as a regional carbon trading centre

At the meeting on 25 January 2022, members suggested inviting the Administration and relevant regulatory bodies to brief the Panel on the roadmap and implementation timetable for developing Hong Kong into a regional carbon trading centre, including the outcomes of relevant studies conducted by the Administration, the Securities and Futures Commission and the Hong Kong Exchange and Clearing Limited (“HKEX”).

To be confirmed

11. Latest development in the Hong Kong listing regimes

HKEX launched consultations on special purpose acquisition companies (“SPACs”) and derivatives holiday trading in September and November in 2021 respectively, and issued the respective consultation conclusions in December 2021 and January 2022.

To be confirmed

At the meeting on 25 January 2022, members suggested inviting HKEX to brief members on the latest development of the listing regimes in Hong Kong, including recommendations in the two consultation conclusions and the way forward.

12. Development of Central Bank Digital Currency

In his letter to the Chairman dated 31 January 2022, Dr Hon WONG Yuen-shan suggested discussing issues relating to development of Central Bank Digital Currency.

To be confirmed

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13. Regulation of crowdfunding activities

In her letter to the Chairman dated 11 February 2022, Hon Maggie CHAN Man-ki suggested discussing issues relating to regulation of crowdfunding activities.

To be confirmed

Council Business Division 1
Legislative Council Secretariat
28 March 2022