

立法會
Legislative Council

LC Paper No. FC175/17-18

(These minutes have been
seen by the Administration)

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Finance Committee of the Legislative Council

Minutes of the 35th meeting
held at Conference Room 1 of the Legislative Council Complex
on Tuesday, 2 May 2017, at 2:30 pm

Members present:

Hon CHAN Kin-por, BBS, JP (Chairman)
Hon Michael TIEN Puk-sun, BBS, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon WONG Ting-kwong, SBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon LEUNG Kwok-hung
Hon Claudia MO
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Alice MAK Mei-kuen, BBS, JP

Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung
Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Dr Hon Elizabeth QUAT, JP
Hon Martin LIAO Cheung-kong, SBS, JP
Hon POON Siu-ping, BBS, MH
Dr Hon CHIANG Lai-wan, JP
Ir Dr Hon LO Wai-kiwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan
Dr Hon Pierre CHAN
Hon CHAN Chun-ying
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LUK Chung-hung
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, MH, JP
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Nathan LAW Kwun-chung
Dr Hon YIU Chung-yim
Dr Hon LAU Siu-lai

Members absent:

Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon CHAN Han-pan, JP

Hon Kenneth LEUNG
Hon IP Kin-yuen
Hon Alvin YEUNG

[According to the Judgment of the Court of First Instance of the High Court on 14 July 2017, LEUNG Kwok-hung, Nathan LAW Kwun-chung, YIU Chung-yim and LAU Siu-lai have been disqualified from assuming the office of a member of the Legislative Council, and have vacated the same since 12 October 2016, and are not entitled to act as a member of the Legislative Council.]

Public officers attending:

Ms Elizabeth TSE Man-yee, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Carol YUEN, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Mr Alfred ZHI Jian-hong	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Gregory SO Kam-leung, GBS, JP	Secretary for Commerce and Economic Development
Mr Philip YUNG, JP	Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism)
Miss Cathy CHU, JP	Commissioner for Tourism
Mr Aaron LIU	Deputy Commissioner for Tourism
Mr Eddie LEE	Assistant Commissioner for Tourism (1)
Mr George TSOI	Assistant Commissioner for Tourism (4)
Miss Cheryl CHOW	Principal Assistant Secretary for Development (Planning and Lands) 2
Mr Adolph LEUNG, JP	Principal Economist (2), Economic Analysis and Business Facilitation Unit
Mr Samuel LAU	Executive Vice President and Managing Director, Hong Kong Disneyland Resort
Miss Linda CHOY	Vice President, Public Affairs, Hong Kong Disneyland Resort
Mr James LAU, JP	Under Secretary for Financial Services and the Treasury

Mr Paul WONG	Principal Assistant Secretary for Financial Services and the Treasury (Financial Services) 6
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Clerk in attendance:

Ms Anita SIT	Assistant Secretary General 1
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Staff in attendance:

Mr Derek LO	Chief Council Secretary (1)5
Ms Ada LAU	Senior Council Secretary (1)7
Mr Raymond SZETO	Council Secretary (1)5
Mr Frankie WOO	Senior Legislative Assistant (1)3
Ms Michelle NIEN	Legislative Assistant (1)5

Action

**Item No. 2 — FCR(2017-18)1
CAPITAL INVESTMENT FUND
HEAD 973 — TOURISM**

**New Subhead — "Equity in Hongkong International Theme Parks
Limited for the Expansion and Development Plan at
Phase 1 site of the Hong Kong Disneyland Resort"**

Motion moved by a member under paragraph 47 of the Finance Committee
Procedure

The Finance Committee ("FC") continued with the deliberation on item FCR(2017-18)1 and the motion moved by Mr CHAN Hak-kan under paragraph 47 of the Finance Committee Procedure ("FCP") that in the event of further divisions being claimed in respect of any motions under the same agenda item, FC should proceed to each of such divisions immediately after the division bell had been rung for one minute.

2. Mr LAM Cheuk-ting and Mr Andrew WAN spoke against the motion moved by Mr CHAN Hak-kan. They criticized that the Administration was still unable to respond to the questions raised by members in respect of the agreement it signed with The Walt Disney Company ("TWDC"). FC, therefore, should not grant its funding approval in a rash manner.

3. Speaking on the item, Mr Michael TIEN was of the view that the agreement between the Administration and TWDC was unfair to Hong Kong.

4. Dr Junius HO and Dr CHIANG Lai-wan spoke in support of Mr CHAN Hak-kan's motion. They were supportive of the item and criticized that some members intended to employ "filibustering" tactics to impede the scrutiny of the item.

5. There being no further requests to speak, the Chairman put to vote the motion moved by Mr CHAN Hak-kan. At the request of members, the Chairman ordered a division and the division bell was rung for five minutes. The Chairman declared that the motion was carried. The votes of individual members were set out in **Annex**.

Continued handling of the motions proposed to be moved by members under paragraph 37A of the Finance Committee Procedure

6. At 2:51 pm, the Chairman said that FC would continue to handle the FCP 37A motions submitted by members. The voting results were as follows:

Member proposing the motion	Serial no. of motions	Motion be proceeded with forthwith
Mr Nathan LAW Kwun-chung	0021, 0023, 0024, 0025, 0054	No
Dr KWOK Ka-ki	0001, 0003, 0004, 0005, 0009, 0010	No
Mr James TO Kun-sun	0011, 0012, 0013	No
Mr Andrew WAN Siu-kin	0014, 0015	No
Mr WU Chi-wai	0017, 0020	No
Mr Jeremy TAM Man-ho	0045, 0046, 0047	No
Mr CHAN Chi-chuen	0032, 0033, 0034, 0035	No
Dr LAU Siu-lai	0066	No
Dr Fernando CHEUNG Chiu-hung	0050, 0092, 0093, 0094	No
Ms Claudia MO	0060, 0063, 0064	No
Mr LEUNG Yiu-chung	0067, 0068, 0069, 0070	No
Dr YIU Chung-yim	0076	No

Voting

7. At 3:41 pm, there being no further questions from members, the Chairman put the item to vote. At the request of members, the Chairman ordered a division, and the division bell was rung for one minute. The Chairman declared that 30 members voted in favour of and 24 members voted against the item. The votes of individual members were as follows:

For:

Mr Abraham SHEK Lai-him
Mr Jeffrey LAM Kin-fung
Ms Starry LEE Wai-king
Mr WONG Kwok-kin
Mr Frankie YICK Chi-ming
Mr LEUNG Che-cheung
Mr KWOK Wai-keung
Dr Elizabeth QUAT
Mr POON Siu-ping
Mr CHUNG Kwok-pan
Dr Junius HO Kwan-yiu
Mr Holden CHOW Ho-ding
Mr Wilson OR Chong-shing
Mr CHEUNG Kwok-kwan
Mr LAU Kwok-fan
(30 members)

Mr Tommy CHEUNG Yu-yan
Mr WONG Ting-kwong
Mr CHAN Hak-kan
Mr Steven HO Chun-yin
Mr YIU Si-wing
Ms Alice MAK Mei-kuen
Mr Christopher CHEUNG Wah-fung
Mr Martin LIAO Cheung-kong
Dr CHIANG Lai-wan
Mr Jimmy NG Wing-ka
Mr HO Kai-ming
Mr SHIU Ka-fai
Mr CHAN Chun-ying
Mr LUK Chung-hung
Mr Kenneth LAU Ip-keung

Against:

Mr James TO Kun-sun
Mr LEUNG Kwok-hung
Mr Michael TIEN Puk-sun
Mr Charles Peter MOK
Dr KWOK Ka-ki
Dr Fernando CHEUNG Chiu-hung
Mr Andrew WAN Siu-kin
Mr LAM Cheuk-ting
Ms Tanya CHAN
Dr CHENG Chung-tai
Mr Jeremy TAM Man-ho
Dr YIU Chung-yim
(24 members)

Mr LEUNG Yiu-chung
Ms Claudia MO
Mr WU Chi-wai
Mr CHAN Chi-chuen
Mr Dennis KWOK Wing-hang
Dr Helena WONG Pik-wan
Mr CHU Hoi-dick
Mr SHIU Ka-chun
Mr HUI Chi-fung
Mr KWONG Chun-yu
Mr Nathan LAW Kwun-chung
Dr LAU Siu-lai

8. The Chairman declared that the item was approved.

Item No. 3 — FCR(2017-18)2

CAPITAL INVESTMENT FUND

NEW HEAD — ASIAN INFRASTRUCTURE INVESTMENT BANK

New Subhead — "Capital Subscription in the Asian Infrastructure Investment Bank"

9. The Chairman advised that this item invited FC to approve the creation of a commitment of HK\$6 billion for Hong Kong's subscription to shares in the Asian Infrastructure Investment Bank ("AIIB") (comprising HK\$1.2 billion for paid-in shares and HK\$4.8 billion for callable shares). The Financial Services and the Treasury Bureau consulted the Panel on Financial Affairs ("the Panel") on the relevant proposal on 16 March 2017.

10. Mr Christopher CHEUNG, Chairman of the Panel, reported that the Panel discussed at its meeting on 16 March 2017 the funding proposal in relation to Hong Kong joining AIIB. Panel members present at the meeting were in support of Hong Kong joining AIIB and raised no objection to the Government's submission of the funding proposal to FC. At the meeting, Panel members asked about the benefits to Hong Kong after joining AIIB, strategies to make a bid for AIIB to set up a sub-office in Hong Kong, as well as the governance and operation of AIIB. Panel members were also concerned about how Hong Kong's views and interests could be reflected in AIIB's Board of Governors and Board of Directors.

11. At 3:45 pm, the Chairman declared that the meeting be suspended for five minutes since the government officials attending the meeting had not yet arrived at the conference room.

12. The meeting resumed at 3:50 pm.

Advantages that would be brought to Hong Kong

13. Ms Claudia MO, Dr KWOK Ka-ki and Mr Nathan LAW pointed out that Hong Kong's membership in AIIB would only bring about minimal investment returns in real terms. They queried that it was a decision to curry favour with the Mainland authorities.

14. Mr James TO and Mr Nathan LAW questioned the advantages that would be brought by Hong Kong's membership in AIIB as set out in the Administration's paper. These members also pointed out that under the current proposal, the percentage of shares to be subscribed was only 0.97% which was insignificant. Mr James TO was worried that AIIB might ask Hong Kong to keep increasing its capital subscription, and urged the Administration to reduce its capital investment in AIIB.

15. Mrs Regina IP said that the New People's Party was in support of Hong Kong joining AIIB which was considered to be conducive to strengthening Hong Kong's global network. She asked the Administration how it would make its bid for AIIB to set up a sub-office in Hong Kong to carry out financing activities.

16. Mr Nathan LAW queried what kind of actual returns could be brought to Hong Kong even if Hong Kong could succeed in bidding for AIIB to set up a sub-office in Hong Kong. He also said that he could not understand how Hong Kong's membership in AIIB could demonstrate the working of the "one country, two systems" principle.

17. Dr KWOK Ka-ki asked the Administration, in the event that Hong Kong decided not to join AIIB and the commitment of HK\$6 billion for share subscription was thus saved, whether it had assessed the possibility of investing the sum of money in other livelihood projects.

18. Dr YIU Chung-yim was worried that with new risk factors associated with Asian currencies looming over the horizon, it would likely bring disadvantage to Hong Kong if Hong Kong was to join AIIB at this juncture. He also questioned why it was necessary to join AIIB since Hong Kong had already joined the Asian Development Bank under which an infrastructure investment fund had already been established.

19. Regarding members' concerns on whether AIIB membership would bring benefits to Hong Kong, the Under Secretary for Financial Services and the Treasury ("USFST") responded that:

- (a) AIIB was a multilateral development bank ("MDB"), and its major mission was to facilitate infrastructure development in Asia. Seeking investment return was not the focus of this item;

- (b) AIIB would fund the infrastructure projects to be implemented in Asia;
- (c) the proposal of subscribing shares in AIIB would not impact on other social welfare or healthcare policies and funds;
- (d) requests for increase in capital subscription initiated by AIIB required the consent of its members, and therefore the scenario of AIIB requesting increase in capital subscription at will would not emerge;
- (e) regarding the subscription amount, while individual members did decide to reduce its subscription of shares in AIIB, but there had been previous occasions on which individual members of MDBs with relatively few shares in the MDBs concerned subsequently sought to increase their subscription of shares but to no avail. The Administration considered that given Hong Kong's financial capability, Hong Kong should fully take up the number of shares it was supposed to subscribe; and
- (f) at present, there were quite a number of places, including Hong Kong, which were making a bid for AIIB to set up a sub-office there. If Hong Kong succeeded in its bid for AIIB to set up a sub-office here, the Administration expected that Hong Kong would have more financial activities and opportunities. However, it would be difficult for the Administration to project, at this juncture, the actual returns that would be brought to Hong Kong during the operation of AIIB's sub-office in Hong Kong.

Consultation with the industry and the public

20. Expressing support for Hong Kong joining AIIB, Ms Starry LEE considered that Hong Kong's participation in our nation's Belt and Road Initiative might bring about new economic opportunities, while Hong Kong's status as an international financial centre could also be maintained. She enquired about the details of communication between the Administration and the industry.

21. Ms Claudia MO criticized that there was little consultation on this item. Instead of conducting a public consultation exercise, the Administration only submitted the item to the relevant Panel for discussion.

22. Regarding members' concerns about the consultation exercise, USFST responded that:

- (a) regarding its proposal of joining AIIB, the Administration had followed the established practice of consulting the Panel, while the Panel's endorsement was also obtained; and
- (b) as for the communication with the industry, the Administration had made an arrangement for Mr JIN Liquan, the President of AIIB, to attend a sharing session to communicate with the industry. Moreover, the Infrastructure Financing Facilitation Office under the Hong Kong Monetary Authority would also provide the industry with AIIB-related information in order to promote AIIB's work. Members of the public might also access updates on AIIB online.

Arrangements for joining AIIB

23. Mr CHAN Chun-ying was in support of Hong Kong joining AIIB. Noting that Hong Kong was not prevented from seeking the agreement of the Ministry of Finance to continue to attend AIIB functions as part of the Chinese delegation if it did not participate in AIIB as a full member in its own right, he sought information on the difference between the above option and a full AIIB member. Mr CHAN also enquired about the ranks of the officials representing Hong Kong to take up the posts of the Governor and Alternate Governor of AIIB, and the procedures for their appointment. Given that it was unnecessary to provide guarantee for the commitment of HK\$4.8 billion for subscription of callable shares, he asked the Administration whether the amount would be brought to credit as a contingent liability.

24. Ms Starry LEE enquired about the number of places which had joined/intended to join AIIB.

25. Regarding members' concerns about the arrangements for joining AIIB, USFST responded that:

- (a) if Hong Kong were to attend AIIB functions as part of the Chinese delegation, it would have to attend AIIB meetings as observers without voting rights as enjoyed by AIIB full members, and would not be able to participate in AIIB's decision-making process;
- (b) the Administration had not yet made decision on the candidates for the Governor and Alternate Governor of AIIB. Hong Kong would make appropriate decisions by referring to the practices adopted by other members, having regard to Hong Kong's own circumstances;
- (c) the callable shares, albeit without guarantee, would still become a contingent liability; and
- (d) a total of 52 places had joined AIIB so far, and more than 20 new applications for AIIB membership had been approved

End of meeting

26. The meeting ended at 4:30 pm.

Legislative Council Secretariat
9 March 2018

點名表決DIVISION: 1
日期 DATE: 02/05/2017
時間 TIME: 02:51:33 下午 PM

動議 MOTION: 動議其後就相同議程項目下任何議案或待議議題進行點名表決時，委員會須在點名表決鐘聲響起一分鐘後進行點名表決
Motion that in the event of further divisions being claimed of any motions or questions under the same agenda item, the Committee do proceed such divisions immediately after the division bell has been rung for one minute

動議人 MOVED BY:

出席 Present : 48
投票 Vote : 47
贊成 Yes : 31
反對 No : 16
棄權 Abstain : 0
結果 Result : 通過 Passed

個別表決如下 THE INDIVIDUAL VOTES WERE AS FOLLOWS:

議員	MEMBER	投票	VOTE	議員	MEMBER	投票	VOTE
陳健波	CHAN Kin-por	出席	PRESENT	葉建源	IP Kin-yuen		
涂謹申	James TO			葛珮帆	Dr Elizabeth QUAT	贊成	YES
梁耀忠	LEUNG Yiu-chung	反對	NO	廖長江	Martin LIAO	贊成	YES
石禮謙	Abraham SHEK	贊成	YES	潘兆平	POON Siu-ping	贊成	YES
張宇人	Tommy CHEUNG	贊成	YES	蔣麗芸	Dr CHIANG Lai-wan	贊成	YES
李國麟	Prof Joseph LEE			盧偉國	Ir Dr LO Wai-kiok		
林健鋒	Jeffrey LAM	贊成	YES	鍾國斌	CHUNG Kwok-pan	贊成	YES
黃定光	WONG Ting-kwong	贊成	YES	楊岳橋	Alvin YEUNG		
李慧琼	Starry LEE	贊成	YES	尹兆堅	Andrew WAN	反對	NO
陳克勤	CHAN Hak-kan	贊成	YES	朱凱迪	CHU Hoi-dick	反對	NO
梁美芬	Dr Priscilla LEUNG			吳永嘉	Jimmy NG	贊成	YES
黃國健	WONG Kwok-kin	贊成	YES	何君堯	Dr Junius HO	贊成	YES
葉劉淑儀	Mrs Regina IP			何啟明	HO Kai-ming	贊成	YES
謝偉俊	Paul TSE	贊成	YES	林卓廷	LAM Cheuk-ting	反對	NO
梁國雄	LEUNG Kwok-hung	反對	NO	周浩鼎	Holden CHOW	贊成	YES
毛孟靜	Claudia MO	反對	NO	邵家輝	SHIU Ka-fai	贊成	YES
田北辰	Michael TIEN			邵家臻	SHIU Ka-chun		
何俊賢	Steven HO	贊成	YES	柯創盛	Wilson OR	贊成	YES
易志明	Frankie YICK	贊成	YES	容海恩	YUNG Hoi-yan		
胡志偉	WU Chi-wai	反對	NO	陳沛然	Dr Pierre CHAN	反對	NO
姚思榮	YIU Si-wing	贊成	YES	陳振英	CHAN Chun-ying	贊成	YES
馬逢國	MA Fung-kwok	贊成	YES	陳淑莊	Tanya CHAN		
莫乃光	Charles Peter MOK			張國鈞	CHEUNG Kwok-kwan	贊成	YES
陳志全	CHAN Chi-chuen	反對	NO	許智峯	HUI Chi-fung		
陳恒鎮	CHAN Han-pan			陸頌雄	LUK Chung-hung	贊成	YES
梁志祥	LEUNG Che-cheung	贊成	YES	劉國勳	LAU Kwok-fan	贊成	YES
梁繼昌	Kenneth LEUNG			劉業強	Kenneth LAU		
麥美娟	Alice MAK	贊成	YES	鄭松泰	Dr CHENG Chung-tai	反對	NO
郭家麒	Dr KWOK Ka-ki	反對	NO	鄭俊宇	KWONG Chun-yu		
郭偉强	KWOK Wai-keung	贊成	YES	譚文豪	Jeremy TAM	反對	NO
郭榮鏗	Dennis KWOK			羅冠聰	Nathan LAW	反對	NO
張華峰	Christopher CHEUNG	贊成	YES	姚松炎	Dr YIU Chung-yim		
張超雄	Dr Fernando CHEUNG	反對	NO	劉小麗	Dr LAU Siu-lai	反對	NO
黃碧雲	Dr Helena WONG	反對	NO				

秘書 CLERK

