

LegCo Panel on Financial Affairs

List of follow-up actions arising from discussions in current and previous sessions
(Position as at 31 December 2003)

Subject	Date(s) of relevant meeting(s)	Follow-up actions	Outcome
1. Reinsurance cover for employee compensation insurance policies	20 December 2001	The Administration was requested to provide written reports, on a quarterly basis, on the up-to-date market situation of reinsurance coverage for terrorist activities on treaty arrangements and the Administration's assessment of the continued need for the \$10 billion facility as approved by Finance Committee on 11 January 2002.	The seventh quarterly report provided by the Administration was circulated to members vide LC Paper No. CB(1)2540/02-03(01) on 3 October 2003.
2. Boundary facilities improvement tax (BFIT)	19 February 2003	The Administration was requested to provide the following information: (a) Similar taxes levied by other jurisdictions; and (b) Details of the Automatic Vehicle Recognition System for collection of BFIT and comparing the cost-effectiveness against installing a new charging regime.	The Administration's reply to item (b) was circulated to members vide LC Paper No. CB(1)1446/02-03 on 15 April 2003. The Administration's interim reply to item (a) was circulated to members vide LC Paper No. CB(1)246/03-04(01) (English version) and LC Paper No.

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			CB(1)261/03-04 (Chinese version) on 4 and 5 November 2003 respectively.
3. Loan Guarantee Scheme for Severe Acute Respiratory Syndrome Impacted Industries	Referred by the Finance Committee at its meeting held on 25 April 2003	The Administration undertook to report the operation of the Scheme to the Panel one year after its implementation, and to submit progress report at six month intervals thereafter.	The Scheme commenced in May 2003. The Administration's response awaited.
4. Examination of the regulatory work in respect of authorized institutions in the light of the "Report of the Special Committee on the Corporate Governance, Credit Approval Process, Risk Management and Internal Control Mechanism of Bank of China (Hong Kong) Limited"	6 December 2003	<p>The Administration and the Hong Kong Monetary Authority (HKMA) were requested to take the following actions:</p> <ul style="list-style-type: none"> (a) To review Financial Services and the Treasury Bureau's role in monitoring how HKMA exercises its banking supervisory function; (b) To advise the Panel of the Administration (including HKMA)'s further follow-up actions on the case of Bank of China (Hong Kong), if any; and (c) To research on practices of overseas regulators regarding requirements on banks and their senior management for cooperation with the regulators in undertaking supervisory actions and to 	Reply from the Administration and HKMA awaited.

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5. Briefing by Financial Secretary on Hong Kong's latest overall economic situation	6 December 2003	provide the information to the Panel. The Administration was requested to provide information in due course regarding the estimated number of jobs created in Hong Kong as a result of the "individual visit" scheme for the Mainland visitors to Hong Kong and the Closer Economic Partnership Arrangement between the Mainland and Hong Kong.	Information from the Administration awaited.