

**LegCo Panel on Financial Affairs**

**List of follow-up actions arising from discussions in current and previous sessions**  
(Position as at 31 March 2004)

<b>Subject</b>	<b>Date(s) of relevant meeting(s)</b>	<b>Follow-up actions</b>	<b>Outcome</b>
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 eighth quarterly report provided by the Administration was circulated to members vide LC Paper No. CB(1)787/03-04(01) on 14 January 2004.
2. 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.
3. Briefing by Financial Secretary on Hong Kong's latest overall economic situation	6 December 2003	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	Information from the Administration awaited.

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		Hong Kong.	
4. Resolution to authorize the Government to borrow by way of securitizing Government revenue receivable from tolls on bridges and tunnels	Referred by Subcommittee on proposed resolution under section 3(1) of the Loans Ordinance at its meeting held on 16 January 2004	The Administration agreed to report on the overall outcome of the securitization exercise of future revenue from toll bridges and tunnels to the Panel in due course.	Information from the Administration awaited.
5. The Securities and Futures Commission Budget for the Financial Year 2004-05	1 March 2004	<p>The Administration was requested to take the following actions:</p> <p>(a) To provide details of the two attempts made by the Securities and Futures Commission (SFC) in 1997 and 1998 to adjust the rates of fees and charges to achieve full cost recovery, including the reasons for the adjustments, proposed levels of increases, cost recovery rates resulting from the proposed adjustments, and reasons of rejection by the then Provisional Legislative Council on the proposed adjustments; and</p> <p>(b) To explain the mechanism for reduction of levy under section 396 of the Securities and Futures Ordinance (Cap. 571); to provide justifications for the existing threshold for reduction of levy</p>	The Administration's responses were circulated to members vide LC Paper No. CB(1)1395/03-04(01) on 26 March 2004.

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		and address some members' view that the existing threshold should be lowered to the effect that levy may be reduced if SFC has accumulated reserves equivalent to or more than its annual operating expenses.	
6. Briefing on the draft Wing Hang Bank Limited (Merger) Bill	1 March 2004	The Administration agreed to request the merging entities to provide information on staff consultation on the proposed merger, including the outcome of staff consultation, and information on the redeployment plan for the staff affected by the proposed merger.	The reply from the Wing Hang Bank Limited was circulated to members vide LC Paper No. CB(1)1299/03-04(01) on 16 March 2004.