

(Translation)

**Motion on
“Formulating a comprehensive listing policy”
moved by Hon Christopher CHEUNG
at the Council meeting of 30 November 2016**

Motion as amended by Hon James TO

That the Securities and Futures Commission (‘SFC’) and The Stock Exchange of Hong Kong Limited (‘SEHK’) are conducting a joint consultation on proposed enhancements to SEHK’s decision-making and governance structure for listing regulation; proposals made in the consultation paper have aroused great controversies in the industry and there are views, among others, that the proposals, once implemented, will seriously disrupt the current listing process for companies and undermine the long-term development of the Hong Kong securities market; in this connection, this Council urges the Government to, after seriously listening to the views expressed by the industry on the consultation paper, prudently formulate a comprehensive listing policy, clarify the definition of suitability for listing and ensure that SEHK has no conflict of roles between vetting and approving listings and marketing; the Government should also review the existing relevant regulatory legislation, strengthen co-operation with the Mainland regulatory authorities to combat any cross-boundary illegal activities and market misconduct carried out through the flow of funds between the two places and in the international financial market, especially in respect of the regulation of insider dealings and disclosure of information, and enhance the transparency of SFC’s regulatory work to pre-empt loopholes in regulation, so as to ensure the healthy and orderly development of the Hong Kong securities market and, while protecting the interests of investors, actively promote financial innovation, in order to enhance Hong Kong’s status as an international financial centre and attract the investment of more Mainland and overseas capital in the Hong Kong securities market.