

Press release

LCQ22: Arrangements for declaration of interests by members of Financial Services Development Council

Wednesday, May 8, 2013

Following is a question by the Hon Emily Lau Wai-hing and a written reply by the Secretary for Financial Services and the Treasury, Professor K C Chan, in the Legislative Council today (May 8):

Question:

The chairman of the newly established Financial Services Development Council (FSDC) reportedly said earlier that FSDC members would declare their interests according to the Government's "established" requirements for advisory bodies. While FSDC would not require its members to make specific declarations of interests, FSDC would advise members to exercise self-discipline in making declarations and withdrawing from meetings on their own volition in the event of a potential conflict of roles. In this connection, will the Executive Authorities inform this Council:

- (a) of the existing "established" arrangements for declaration of interests of advisory bodies of the Government; whether there are differences among the systems of declaration of interests for such bodies; if so, of the details; whether the declarations made by the members of such bodies are open for public inspection;
- (b) of the arrangement for declaration of interests by FSDC members, as well as the differences between that arrangement and those for other advisory bodies;
- (c) why FSDC will not require its members to make specific declarations of interests;
- (d) whether FSDC have declared their interests according to the "established" requirements; if not, when they are required to make the declarations; whether the declarations made by them will be made public; if not, of the reasons for that; and
- (e) given that the interests of some FSDC members are very closely related to those of the finance industry, how the authorities will prevent FSDC members from making recommendations in which they themselves or their companies have direct or indirect interests?

Reply:

President,

The FSDC has established a system for disclosure of interest in accordance to the Government's established arrangements and requirements.

The FSDC is an advisory body established by the Government and has no execution or regulatory functions. Therefore, the system for disclosure of interest implemented by the FSDC follows that of any advisory bodies of comparable nature.

Hence, if a FSDC member perceives a potential conflict of interest in a matter being discussed, he/she must make detailed disclosure of his/her relevant interest. FSDC members and committee members are well aware of this guideline, which has been set out clearly.

Ends