

Highlights of Achievements

April 2004 – March 2005

In the beginning of the 2004-05 financial year, the Mandatory Provident Fund Schemes Authority (MPFA) set out to achieve the following objectives:

- (a) To strengthen the Mandatory Provident Fund (MPF) System;
- (b) To ensure compliance with the MPF legislation; and
- (c) To enhance MPFA's capabilities, integrity and accountability.

The following are highlights of the achievements in pursuing the above objectives.

Strengthen regulation of MPF and ORSO schemes

- Published the Code on Disclosure for MPF Investment Funds in June 2004
- Commenced developing proposals for improvements to member benefit statements
- Started a review on the model for regulation of constituent funds and approved pooled investment funds
- Developed 11 proposals to amend the MPF legislation, covering issues relating to investment regulation and scheme administration, for consideration by the Government of the Hong Kong Special Administrative Region (HKSAR)
- Assisted the HKSAR Government in the preparation of the amendment bills relating to proposals developed in 2002-03 and 2003-04 to amend the MPF legislation, as well as the proposals developed in 2002-03 to amend the Occupational Retirement Schemes Ordinance

Ensure supervision and enforcement strategies are effective

Supervision of trustees

- Reviewed approved trustees' compliance programmes and issued a set of draft Compliance Standards for comments by industry bodies
- Embarked on internal preparations for the introduction of the Compliance Standards
- Completed the seventh round of on-site visits to approved trustees, with focuses on reviewing investment compliance and following up on the specific weaknesses of individual trustees identified in earlier rounds of visits

Enforcement strategies

- Achieved enrolment rates of 97.9%, 96.7% and 80.8% for employers, employees and self-employed persons respectively
 - Completed investigation on over 9 000 complaint cases and conducted proactive inspections on over 3 000 business establishments
 - Adopted effective means to enhance recovery of outstanding default contributions and surcharges, including filing claims with District Court/ High Court, and use of garnishee and charging orders
 - Through the work of a Special Task Force, proactively investigated hard-core employers with multiple and long default contribution records as reported by trustees, and recovered from them the default contributions due
 - Filed 1 183, 45 and 3 claims with the Small Claims Tribunal, District Court and High Court respectively, made 391 applications to liquidators/receivers and laid 1 057 summonses to prosecute defaulters
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Highlights of Achievements (cont'd)

Strengthen community support and knowledge of the MPF System

- Disseminated knowledge on MPF investment through the print and electronic media including television and radio programmes and newspaper articles, seminars and exhibitions
- Continued educating the young on the concept of financial planning for retirement through competitions and talks
- Launched publicity campaigns targetting industry schemes and self-employed persons
- Strengthened networking with stakeholders through partnership programmes such as joint seminars and district carnivals, contribution of articles to labour union newsletters, talks for community groups, liaison meetings and gatherings, etc.

Enable efficient and effective decision making through improved information management

- Enhanced and developed IT systems to facilitate enforcement operations and supervision processes
- Completed the requirement study for a new information system for the supervision of ORSO schemes
- Promulgated a Records Management Policy Manual and prepared a set of draft records retention guidelines
- Examined the application of an electronic filing system and conducted a trial of the system in MPFA

Build corporate culture and enhance human resources capability

- Launched a formal staff recognition programme to award staff members who demonstrate MPFA's core values in concrete behaviours
- Developed departmental risk registers
- Promulgated the Crisis Management and Business Continuity Planning Manual and completed a comprehensive drill to familiarize staff members with the procedures for maintaining business continuity after a disaster that would render the MPFA's office premises inaccessible
- Launched multi-purpose programmes, including interest clubs and knowledge sharing sessions, to facilitate staff communication and culture building
- Completed top management structure review and implemented new structure
- Reviewed the structure and manpower needs of various divisions and departments
- Reviewed the work processes and organization structures of the Enforcement Division to enable a "through-train" service in complaints handling, investigation and debt recovery
- Developed and implemented the staff salary administration policy, and reviewed existing staff benefits
- Organized training and development programmes, including management development programmes and professional/technical skills training
- Implemented knowledge transfer and sharing programmes