

INTRODUCTION

The Corporate Plan of MPFA outlines the objectives and major activities that MPFA will focus on for the financial year 2024-25. The planning process involves a broadly participative approach. The senior management team converges and plans prospectively for MPFA's activities in the financial year concerned, with guidance from MPFA's Management Board and advice from the MPF Schemes Advisory Committee.

OBJECTIVES

In the Corporate Plan for the financial year 2024-25, five objectives will be implemented by MPFA through 20 action points and 39 programmes. The objectives are as follows:

- (A) Oversee the implementation of the eMPF Platform project (Project) and the operation of the eMPF Platform (Platform);
- (B) Reform and refine the MPF System and proactively anticipate the needs of scheme members so as to create better retirement outcome for scheme members;
- (C) Supervise the compliance of the MPF industry and enhance industry standards to better safeguard scheme members' interests;
- (D) Enhance public understanding of MPF System and investment and the Platform, and promote stakeholders' support of the System; and
- (E) Sustain continuous development of the organization to provide impetus for future growth.

ACTION POINTS AND PROGRAMMES UNDER OBJECTIVE (A):

(1) Project oversight

- Monitor overall operation of the Platform, including digital uptake rate and achievement of operational service levels
- Oversee eMPF Platform Company (eMPF Company)'s monitoring of key risk areas of Platform operation
- Provide guidance to eMPF Company in its review of feedback and comments on Platform operation and functionality for continuous enhancement

(2) Legislation and regulatory framework

- Support the Government in preparing legal notices relating to the implementation of the Platform
- Amend/revoke existing MPF guidelines and prepare new ones as necessary for different stages of implementation of the Platform

(3) Monitor onboarding of MPF schemes to the Platform

- Supervise trustees' implementation of onboarding preparation plans and readiness for onboarding
- Monitor trustees' continuous refinement of contingency plans in relation to onboarding
- Review post-onboarding operations of trustees and their interface with the Platform



(4) Oversee the operation of the Platform

- Implement the regulatory oversight framework for the Platform, including overseeing compliance with Operating Rules

(5) Publicity and engagement

- Promote the key features and major benefits of the Platform to the community

ACTION POINTS AND PROGRAMMES UNDER OBJECTIVE (B):

(6) Implement reform and review initiatives

- Develop with the Hong Kong Monetary Authority (HKMA) mechanism to facilitate priority investment by MPF funds in Government infrastructure bonds
- Continue to formulate and implement proposals to refine current investment regulations



(7) Develop reform proposals

- Review the minimum and maximum relevant income levels for MPF contributions in accordance with the statutory review mechanism
- Support the Government in developing the policy details, implementation plans and legislative amendments for implementing the initiative of paying MPF contributions for low-income persons
- Continue the study with HKMA on MPF funds that offer stable returns at low fees
- Develop legislative amendment proposals to enhance MPFA's enforcement tools and powers

(8) Study other reform issues

- Study reform issues in the review pipeline systematically

ACTION POINTS AND PROGRAMMES UNDER OBJECTIVE (C):

(9) Monitor trustees' implementation of fee reduction after onboarding the Platform

- Monitor trustees' compliance with the requirements of "straight pass-on" of cost savings and corresponding fee reduction after onboarding the Platform
- Review trustees' fee reduction plan relating to fee components other than administration fee

(10) Enhance trustees' investment governance standard

- Assess trustees' investment governance practices disclosed in their first annual governance reports against governance principles issued by MPFA for identifying refinement needs, and promulgate good governance practices for sharing and improvement

(11) Require trustees to adopt sustainable investing and make relevant disclosure in accordance with high level principles issued by MPFA

- Promulgate good practices by engaging with trustees and issuing relevant guidance
- Collaborate with other financial regulators and the Government to develop green and sustainable finance market in Hong Kong, support and align relevant actions and policies

(12) Enhance disclosure requirements for environmental, social and governance (ESG) themed MPF funds

- Develop disclosure requirements for ESG themed MPF funds

(13) Raise standards amongst MPF trustees and intermediaries

- Maintain regular dialogues with the MPF industry on regulatory and operational topics
- Provide training to and organize MPF Symposium for the MPF industry



ACTION POINTS AND PROGRAMMES UNDER OBJECTIVE (D):

(14) Enhance stakeholders engagement in terms of the scope, intensity and messaging with a view to securing buy-in, garnering wider support and dispelling misunderstanding of the MPF System, MPFA and the Platform

- Step up efforts to reach out to various stakeholders to promote latest MPF initiatives and the Platform, and listen to their views
- Promote the core values and key features of the MPF System and the Platform to the general public through various channels, including traditional media, online and social media platforms
- Give due recognition to employers who have complied with the MPF legislation and placed a high value on providing their employees with extra retirement protection through the annual Good MPF Employer Award

(15) Educate employers, scheme members and prospective scheme members on the MPF System and the Platform

- Promote employers' and employees' MPF rights and responsibilities
- Roll out member education programmes on how to manage MPF investment and the benefits of planning early for retirement protection
- Publicize new developments in relation to the MPF System

(16) Promote the merits of the MPF System and the Platform, and enhance connection with other pension regulators through high-level official engagements at international, regional, national and local levels

- Continue to contribute to the work and meetings of the International Organisation of Pension Supervisors and its committees
- Identify opportunities for MPFA senior management to speak at or participate in international/regional pension-related events
- Arrange engagement activities/meetings with Mainland and overseas delegations and visits outside Hong Kong with Mainland/regional/international regulatory counterparts and stakeholders



ACTION POINTS AND PROGRAMMES UNDER OBJECTIVE (E):

(17) Continue to carry out the transformation of MPFA

- Enhance MPFA's information systems and business processes to interface with the Platform and to ensure effective operation after the launch of the Platform
- Streamline operations, re-engineer processes and digitalize daily operations

(18) Review risk management framework

- Review MPFA's risk management framework to align with the evolving business landscape

(19) Refine people measures in support of corporate development

- Enhance measures to facilitate identification, development and retention of talents to support MPFA's needs

(20) Prepare for the review of annual registration fee (ARF)

- Prepare for the review of ARF with a view to achieving full cost recovery in FY2026-27

