

## FSDC releases report on enhancing MPF system in Hong Kong

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The Financial Services Development Council (FSDC) today (February 14) released a research report entitled “Mandatory Provident Fund System – The Way Forward”. The report sets out key recommendations for enhancing the Mandatory Provident Fund (MPF) system in Hong Kong.

The Chairman of the FSDC, Mr Laurence Li, said, “The MPF system has been playing a vital role in protecting the financial well-being of Hong Kong’s workforce when they reach retirement. After nearly 20 years since the establishment of the MPF, it is now an opportune time to explore enhancement measures to modernise the MPF system.”

The report aims to identify some of the perceived major issues and challenges of the MPF system and to outline recommendations to address them. The report has made five recommendations to improve MPF members’ engagement and to grow the level of MPF assets within the system: (i) establishing and implementing eMPF; (ii) encouraging MPF trustees/sponsors to provide more comprehensive advice and financial education; (iii) increasing independent governance and oversight of MPF schemes; (iv) updating the Mandatory Providence Fund Schemes Ordinance; and (v) increasing the level of contributions into the MPF system.

The full version of the report can be downloaded from the FSDC website: [www.fsd.org.hk](http://www.fsd.org.hk).

### About the FSDC

The Hong Kong Special Administrative Region Government established the FSDC in 2013 as a high-level, cross-sectoral advisory body to engage the industry in formulating proposals to promote the further development of Hong Kong’s financial services industry and to map out the strategic direction for development.

The FSDC has been incorporated as a company limited by guarantee with effect from September 2018 to allow it to better discharge its functions through research, market promotion and human capital development with more flexibility.

Ends/Thursday, 14 February, 2019