

Government welcomes passage of Mandatory Provident Fund Schemes (Amendment) Bill 2021

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, welcomed the passage of the Mandatory Provident Fund Schemes (Amendment) Bill 2021 by the Legislative Council today (October 22) to provide a solid legal basis for the implementation of the eMPF Platform.

The amended Ordinance sets out the operating framework and mandatory use of the eMPF Platform, the mechanism to ensure a straight pass-on of cost savings achieved from the streamlined administrative work flow to scheme members, the roles and responsibilities of different parties, as well as miscellaneous amendments such as lowering the statutory cap on out-of-pocket expenses of Default Investment Strategy constituent funds from 0.2 per cent to 0.1 per cent per annum.

Mr Hui said, "The eMPF Platform will provide a one-stop, paperless, more efficient and user-oriented experience in Mandatory Provident Fund (MPF) scheme administration. Being the most important reform initiative since the inception of the MPF System in December 2000, the eMPF Platform will reshape the current decentralised operating landscape and bring about significant cumulative cost savings, in a range of \$30 billion to \$40 billion in 10 years of the operation, for the benefit of scheme members.

"The eMPF Platform will also facilitate the implementation of 'full portability', and open up possibilities of new measures and functionalities," Mr Hui added.

The Government, the Mandatory Provident Fund Schemes Authority and the eMPF Platform Company Limited are working at full steam to build the eMPF Platform. Its target is to complete the hardware and software development by the end of 2022 at the earliest. The Government will specify, by way of a notice published in the Gazette, the date of the mandatory use of the eMPF Platform by individual trustees and their MPF schemes in an orderly manner starting from 2023. The eMPF Platform will become fully functional in around 2025 when the migration of all trustees and MPF schemes is completed.