

Standing Committee on Company Law Reform publishes annual report

The Standing Committee on Company Law Reform (SCCLR) today (October 22) published its 2020-21 annual report.

During the reporting period, the Government briefed the SCCLR on the legislative proposal regarding the introduction of a statutory corporate rescue procedure (CRP) and insolvent trading provisions, as well as that of implementation of an uncertificated securities market (USM) regime.

The SCCLR was also kept informed of the Government's plan to commence in phases the relevant provisions in the Companies Ordinance (CO) to protect sensitive personal information on the Companies Register, and the Companies Registry's proposal of a fee waiver and reduction to support enterprises and encourage use of electronic services.

"The SCCLR is our important partner in ensuring that our company laws are commensurate with Hong Kong's status as an international commercial and financial centre. We are grateful for its contribution throughout the years," a Government spokesperson said.

Taking into account the advice of stakeholders including the SCCLR, the Government introduced the Securities and Futures and Companies Legislation (Amendment) Bill 2021 into the Legislative Council (LegCo) to provide a legal framework for the implementation of the USM regime, which was passed by the LegCo in June 2021. In the meantime, the Government has continued the communication with different stakeholders on the CRP.

The SCCLR was set up in 1984. It advises the Financial Secretary on amendments to the CO and the Companies (Winding Up and Miscellaneous Provisions) Ordinance, as well as amendments to the Securities and Futures Ordinance on matters relating to corporate governance and shareholders' protection, as and when necessary.

The Chairman of the SCCLR is Mr Johnny Mok, SC. Members include practitioners from relevant professions including legal, accountancy and company secretarial fields; academics; individuals from the business communities; and representatives from relevant government departments and financial regulators.

The 2020-21 annual report of the SCCLR is available at the website of the Companies Registry (www.cr.gov.hk) for public inspection.