



強制性公積金計劃管理局  
MANDATORY PROVIDENT FUND  
SCHEMES AUTHORITY



**Mr Cheng Yan-chee**  
*Managing Director*

# Managing Director's Review and Outlook

Year 2023 marked the 25th anniversary of MPFA. Over the past 25 years, MPFA has undertaken the important mission of safeguarding the MPF rights of the working population and progressively developing and enhancing the MPF System. Besides, we have never stopped improving and innovating ourselves to stay ahead of the ever-changing global landscape and capture the arising opportunities. Our accomplishments are not just measured in figures but also by the positive impact we have had on building a better retirement savings system for the Hong Kong working population.



MPFA's 25th anniversary reception officiated by the Hon Paul Chan, Financial Secretary of the HKSAR

## Member Protection

### Recovery of Default Contributions

Protecting scheme members' interests is a key priority of MPFA. Employers are obliged by law to enrol their employees in MPF schemes and make mandatory contributions for them. We closely monitor compliance with the MPF legislation, handle complaints promptly, and take appropriate enforcement actions.

During the year, a total of 1 234 employment establishments were inspected, 376 300 payment notices were issued in respect of default contributions (DC), and \$155 million of DC were recovered for 96 600 employees. With the help of labour unions, we promptly got in touch with affected employees to offer assistance and explain to them their MPF rights. Upon the launch of the eMPF Platform in June 2024, employees participating in MPF schemes which have onboarded can check by themselves if contributions have been made by their employers and may take swift action to protect their own rights.

## Enhancement of Industry Standards

As the central party responsible for scheme management functions, MPF trustees play a crucial role in member protection. We expect trustees to maintain a high standard of governance to discharge their duties and act in the best interests of scheme members.

As mentioned by Chairman in her statement, there is a new regulatory initiative requiring trustees to submit an annual governance report on the MPF schemes under their trusteeship. During the year, all trustees had submitted their first governance reports to MPFA. These are available on both the MPFA website and the respective websites of trustees/sponsors. The escalated level of transparency will help scheme members better understand how trustees have striven to bring them better value.

MPF intermediaries<sup>1</sup> represent another group of key industry players providing services directly to scheme members. To ensure that scheme members' interests are well-protected when they are serviced by intermediaries, guidance has been provided to intermediaries from time to time.

<sup>1</sup> There are two types of MPF intermediaries: principal intermediary and subsidiary intermediary. A principal intermediary is a business entity registered by MPFA as an intermediary for selling, marketing or giving advice on MPF schemes. A subsidiary intermediary is a person registered by MPFA as an intermediary for selling, marketing or giving advice on MPF schemes on behalf of the principal intermediary to which the person is attached.

A circular was issued in September 2023 to remind intermediaries that MPFA would step up disciplinary action in serious misconduct cases to provide stronger deterrent effect. Another circular was issued in October 2023 to raise the requirement for intermediaries to disclose benefits receivable for providing services.

To enhance the industry's professional standards, with effect from 1 January 2024, the minimum continuing professional development (CPD) hours required for subsidiary intermediaries increased from 10 to 15 hours for each reporting year, and the minimum number of hours of core CPD activities increased from two to four hours.

### Work on "Anti-Scam"

In view of the proliferation of scams resulting in financial loss among members of the public, guidance to the industry was issued for the purpose of combatting scam callers. In June 2023, MPFA issued a "Guidance Note on Conducting Sales by Unsolicited Calls" to MPF intermediaries to stipulate the requirements and measures related to making unsolicited calls for conducting telemarketing. Circulars were also issued in December 2023 to trustees and intermediaries to require them to regularly review and enhance their control measures in order to prevent fraudulent activities and safeguard the interests of scheme members.

To enhance the public's awareness of phone scams and personal information protection, anti-scam messages and enforcement alerts were promoted via various channels and publicity activities. A new section "Beware of Scams" was added on the MPFA website to provide scheme members with smart tips and alerts of MPF-related scam cases.

MPFA will continue to work with other parties, such as Anti-Deception Coordination Centre of the Police, district bodies and Investor and Financial Education Council, to enhance public education on fraud prevention. Suspicious calls will be referred to the Police for follow-up investigation.



Liaison meeting with Commercial Crime Bureau of the Police



## Education, Publicity and Engagement

Scheme members' interests will be better protected if they are aware of their rights and obligations. Riding on the complete relaxation of social distancing policies since the beginning of 2023, we organized extensive public education, publicity and engagement activities to continue to disseminate various important MPF messages to the community. A total of 144 sessions of customized MPF education programmes were held. Chairman and the management team participated in around 180 engagement and outreach activities with various stakeholder groups, including Legislative Council Members, labour unions, community organizations, business chambers and MPF industry organizations, and met with grassroots and women scheme members face to face. In addition to promoting MPF and relevant initiatives, we took the opportunity to listen to their views on MPF.

A record high of 2 134 employers receiving the 2022–23 Good MPF Employer Award (GMEA) and a full spectrum of stakeholders drawn to the annual MPF Symposium affirm that our work in promoting retirement protection and disseminating MPF knowledge is recognized by employers and the industry. We will double our effort to promote the GMEA in 2024, which will mark its 10th anniversary.

In 2024, preparation was made for an awareness and publicity campaign, rolled out in May 2024, to promote the eMPF Platform. We will continue to promote the key features and major benefits of the eMPF Platform to the community and offer assistance to employers and scheme members to register with and make use of the Platform.



Managing Director delivers keynote speech on the eMPF Platform at an industry event

## Telling the MPF Story

As part of our engagement efforts, Chairman and I together with other senior executives spoke in around 50 public speaking engagement events organized by various organizations during the year to promote the latest MPF initiatives. Beyond Hong Kong, we continue to maintain close liaison with Mainland authorities and our counterpart in Macao to exchange views on latest developments in the pension space and pursue collaboration.

On international level, our senior executives and I attended meetings and events to stay abreast of the latest international trends in regulating private pension systems and to promote the achievements of the MPF System, telling well the MPF stories. Pension authorities from different jurisdictions were interested in learning MPFA's key initiatives, in particular the development of the eMPF Platform. During the year, MPFA had been re-elected by International Organisation of Pension Supervisors (IOPS) as a member of its Executive Committee for the period from 2024 to 2025. Going forward, MPFA will host the Annual General Meeting and committee meetings of IOPS, and co-organize the Global Forum on Private Pensions with IOPS and Organisation for Economic Co-operation and Development in 2026.



Managing Director meets with the trainees and staff of social enterprises and social welfare organizations in an "Easter Handicraft Market" held in MPFA's office

### Corporate Development

While refining the MPF System, MPFA embraces a culture of continuous improvement and learning to prepare ourselves for emerging business trends.

In tandem with the launch of the eMPF Platform, we have continued to enhance our information systems and business processes to interface with the eMPF Platform and to ensure continuous and effective operations after the implementation of the Platform. We have also been pursuing a number of transformation initiatives to streamline operations, re-engineer our processes and digitalize daily operations.

Various training programmes and knowledge sharing sessions have been conducted to build up capacity for colleagues to transition to the e-platform era. To enrich colleagues' understanding of national affairs and developments, further to the National Studies Programme implemented since 2022–23, sharing sessions have been arranged and important information related to national affairs and national security has been provided to colleagues on a regular basis.

In April 2023, MPFA relocated to a new, smart and green office in Kwun Tong. Smart solutions and systems were implemented to support various office operations in support of our transformation. The availability of smart solutions and portable equipment has made it possible to introduce an optional work-from-home arrangement from September 2023. The initiative helps foster a new work culture and promote the well-being of colleagues.

In light of current global economic challenges and following the Government's example, MPFA has taken the initiative to reduce operating expenditure and freeze headcount in 2024–25.

### Outlook

Improved industry standards, enhanced member protection measures, and more importantly, the launch of the eMPF Platform to drive fee reduction and enhance operational efficiency, are all steps in improving the MPF System with a view to helping the working population increase their retirement reserves.

Looking ahead, I have no doubt that our future holds even greater opportunities. We will continue to devote great efforts to take the eMPF Platform project forward, and at the same time conduct reviews of other reform areas, taking into account the views and suggestions of stakeholders and anticipating the evolving needs of scheme members.

Within MPFA, we will sustain continuous development of the organization to build up capacity and provide impetus for future growth.

## Vote of Thanks

I would like to extend my deep appreciation to our Chairman Mrs Ayesha Macpherson Lau for her steer in various programmes and her tireless efforts in engagement with a wide range of stakeholder groups.

I would also like to thank Members of the Management Board, committees and working groups for their valuable guidance and unwavering support of our work throughout the year. My heartfelt thanks go to the Government, MPF trustees and all business partners. I value our frequent communication and frank exchange which allow us to improve continuously.

2023–24 has been an intense year with a high workload for our colleagues. I would like to recognize our colleagues' tireless efforts in member protection, publicity and education as well as the delivery of the eMPF Platform project. I must thank them for their wholehearted dedication and for being the driving force behind our accomplishments. Their hard work and collaborative spirit have made a real difference.



**Cheng Yan-chee**  
*Managing Director*