



7 May 2008

By email (cvw@hkex.com.hk) and by post

Our Ref.: C/PAIBC, M56074

Corporate Communications Department
Re: Combined Consultation Paper on
Proposed Changes to the Listing Rules
Hong Kong Exchanges and Clearing Limited
12th Floor, One International Finance Centre
1 Harbour View Street
Central, Hong Kong

Dear Sirs,

Re: Combined Consultation Paper on Proposed Changes to the Listing Rules

--- Please find attached a **submission** on the above consultation paper from the Hong Kong Institute of Certified Public Accountants ("the Institute") in the form of a completed questionnaire.

We are in support of many of the proposals put forward by the Exchange in the consultation document, while having reservations about some of them.

In particular, we do not agree with the proposal to remove from the listing rules the requirement for listed companies to employ a qualified accountant at a senior level in the management of the company. The proposal was introduced only in 2004 and, in the Institute's view, has undoubtedly been a positive development for Hong Kong's corporate governance environment. Removing it at this time would send a negative message to the market and the wider community about the importance of good financial reporting and corporate governance. We believe that such a change would not be in public interest, in view of the increasing demands for timely and reliable financial information and better and more transparent risk management and internal control systems and processes, and given the importance of professional skill and expertise to support these. Please see our detailed comments and proposals set out in our answers to question 3 of the survey.

We provide comments on a number of the other proposals in the consultation paper, focusing primarily on the principles rather than the detailed proposed rule changes, although we do also express a view on the latter in certain specific instances.

Yours faithfully,

Winnie C.W. Cheung
Chief Executive & Registrar

WCC/PMT/ay