



NEWS RELEASE

PSA Survey Reveals Preference for Digital Convenience Affirms Importance of Early Stakeholder Engagement

17 December 2021, Hong Kong – Pension Schemes Association (“PSA”) today announced the findings of a survey on the eMPF Platform project. The survey was designed to understand the views and needs of employers with respect to the upcoming eMPF Platform, online services, and digital adoption.

Highlights of the key findings are as follows:

- Both large enterprises and SMEs embrace eServices – nearly 70% of employers in both categories currently handle MPF-related administrative work online
- Most large enterprises and SMEs would encourage (80%) and support (83%) employees to receive MPF-related communications via electronic means, with reduction in time spent handling employee enquiries being the most cited reason
- Awareness of the upcoming eMPF Platform at 28% (SMEs: 27%; large enterprises: 35%)
- Some of the top uncertainties for employers with respect to the upcoming eMPF Platform are: ‘whether there would be adequate customer support when encountering problems’ (69%), ‘whether there would be sufficient network security measures for privacy protection’ (61%) and ‘whether unclear roles and responsibilities between the eMPF Platform company and MPF providers would lead to administrative inefficiencies’ (54%)

Most Employers Already Manage MPF Online

The survey revealed a clear preference for electronic over hard copy management, with 69% of SMEs and 66% of large enterprises currently handling MPF administrative tasks online. The encouragingly high digital take-up rate is unsurprising, as there are quite a number of the respondents chose to respond online, they are likely to be more tech-savvy and open to electronic services.

The top three administrative tasks all related to the handling of contributions: 82% use eChannels to view contribution records, 81% to compile and submit contribution data, and 73% to pay contributions. These are closely followed by tasks related to employee management, including new member enrolment (65%), updating of contact persons and details (63%) and submission of termination notice (63%).

Employers are Satisfied with Online Services Currently Offered

In general, large enterprises (71%) and SMEs (70%) are satisfied or very satisfied with the online services provided by their current MPF provider. Furthermore, most employers would encourage (80%) and support (83%) employees to receive MPF-related communications via electronic means, with a reduction in time spent handling employee enquiries being the most cited reason among both large enterprises (92%) and SMEs (87%). These encouraging findings suggest that online services have brought tangible benefits to businesses in terms of reducing their administrative burden and improving their operational efficiencies.

There are Opportunities to Improve Awareness of the eMPF Platform and its Benefits

Although more and more enterprises are recognising the benefits of performing their MPF duties online, awareness of the upcoming eMPF Platform can be strengthened. The survey revealed that over a quarter (27%) and a third (35%) of SMEs and large enterprises, respectively, are aware of the eMPF Platform. While 37% of respondents agree that the



upcoming eMPF Platform will be beneficial to employers, nearly 50% put themselves in the neutral category, suggesting that continued focus on educational initiatives could lead to a sharp increase in the number of respondents who see eMPF as beneficial or favourable to them. 'Simplify, improve and standardise the contribution processes... to reduce my administrative burden' (79%) and 'Minimise risk of surcharge due to errors' (69%) were among the topmost anticipated benefits.

When it comes to benefits for employees, employers are relatively more optimistic, with 48% of SMEs and 52% of large enterprises believing the upcoming eMPF Platform would be beneficial to employees with the ability to manage all their MPF accounts on a centralised platform being the most cited reason. It is also encouraging that 41% picked the neutral option, indicating the potential for a positive response.

Taking a Few Simple Steps Would Ease Employers' Hesitation

To explore the reasons behind the hesitancy, the survey asked what reservations employers had about the upcoming eMPF Platform. Three of the top uncertainties were revealed to be 'whether there would be adequate customer support when encountering problems' (69%); 'whether there would be sufficient network security measures for privacy protection' (61%); and 'whether unclear roles and responsibilities between the eMPF Platform company and MPF providers would lead to administrative inefficiencies' (54%), respectively.

According to survey findings, some of the effective ways these concerns could be allayed are 'setting up of customer service hotline and online self-help desk' (77%), 'organising training for corporate staff / seminars for members' (60% and 55% respectively) and 'strengthening the transparency, promotion and education on the new platform' (66%).

"PSA supports the MPFA's digital strategy, a key component of which is the launch of the eMPF Platform," said Ms Elaine Lau, Chairman of PSA. "We are encouraged by the findings, which show that employers by and large recognise the trend for accelerated digitalisation with businesses already actively leveraging online platforms to better and more efficiently perform their MPF administrative tasks.

"It is important to note, however, that inherent limitations to the survey likely influenced some results. For example, as respondents only have a broad overview of the upcoming eMPF Platform, they may not have a firm grasp of its features and benefits. This may explain the limited awareness of the upcoming platform and why employers are unable to articulate their specific expectations of the platform and of the services they want to receive from the operating company and MPF providers. That said, the findings of this survey still provide some valuable food for thought and may be utilised to help various stakeholders prepare during the development and transition stage."

The PSA has put forward recommendations with the aim of helping the upcoming eMPF Platform deliver the operational improvements as well as productivity, cost and efficiency gains it aims to. To name a few:

- Deepening understanding of employers' concerns and addressing these during the development process
- Strengthening promotion, publicity, and education prior to the launch of the platform across various media
- Setting up a service hotline and online self-help desk to deal with enquiries especially during the early stages
- Providing clear guidance on transition arrangements
- Ensuring continued support and provision of services (not offered by the upcoming eMPF Platform) from current MPF service providers, to help bridge the gaps for a seamless transition journey



- Engaging enterprises throughout the eMPF Platform development cycle to help address concerns about interfacing and increase buy-in
- Facilitating sharing of accumulated knowledge of MPF providers to ensure platform capacity and service support will meet user demand
- For employers, proactively taking note of the latest development of the eMPF Platform project, and starting to adopt different eServices in managing MPF matters

The eMPF study was conducted by CIMIGO between July and August 2021. It interviewed a total of 511 respondents, 350 from SMEs and 161 from large enterprises to gather initial feedback on awareness, perceptions, and expectations of the upcoming eMPF Platform from Business owners, Executives, and Managers involved in the selection of or daily contact with MPF service providers, and to understand their MPF management habits and reasons for adopting or not adopting digital tools.

About PSA

Pension Schemes Association (“PSA”) was established in February 2018 with six founding partners. As the most prominent MPF sponsor association in the industry, PSA assumes the bridging role among stakeholders as to ensure our MPF system can fulfil public and industry interests. The six founding corporation partners are (in alphabetical order):

- AIA Company Limited
- FIL Investment Management (Hong Kong) Limited
- Hongkong and Shanghai Banking Corporation Limited
- Manulife (International) Limited
- Principal Insurance Company (Hong Kong) Limited
- Sun Life Hong Kong Limited

About eMPF Platform Project

In 2018, the Government entrusted the MPFA to design, build and operate the eMPF Platform, with a view to integrating all MPF administration processes currently decentralised among different MPF trustees into a centralised digital platform. By standardising, streamlining and automating all MPF related administration processes, the Platform will displace the current paper-based and manual handling processes, thereby achieving high-efficiency user experience and further reduction of administration cost. The passage of the Mandatory Provident Fund Schemes (Amendment) Bill 2021 by the Legislative Council in late October this year provided the legal basis to further facilitate the development and implementation of the eMPF Platform project and stipulated the “straight pass-on” requirement so as to ensure cost savings brought by the Platform would directly benefit the scheme members. The MPFA, the eMPF Platform Company and the contractor of the Platform are pressing ahead at full steam on the development of the Platform and other preparatory work with a view to completing the construction of the eMPF Platform by the end of 2022 at the earliest. Starting from early 2023, the 27 MPF schemes under 13 trustees will be arranged to get onboard to the Platform by phases in an orderly manner. It is estimated that the transition will complete within two years and the Platform will come into full operation in early 2025, the earliest.

This press release is issued by Bentley Communications Limited on behalf of Pension Schemes Association (PSA). For enquiries, please contact Mr. Ian Li at 3960 1905 / ianli@bentleyhk.com.