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Replies to initial written questions raised by Finance Committee Members in examining the Estimates of Expenditure 2020-21

Director of Bureau : Secretary for Financial Services and the Treasury

Session No. : 4

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CONTROLLING OFFICER'S REPLY**FSTB(FS)001****(Question Serial No. 0982)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The estimate for 2020-21 is \$395.5 million higher than that for 2019-20, representing an increase of 53.6%. According to the analysis on page 405, this is mainly due to the increased cash flow requirement for non-recurrent commitment items, and anticipated increase in hire of services and professional fees and general departmental expenses. However, as stated in Matters Requiring Special Attention in 2020-21 on page 403, the Branch is basically continuing with the tasks of last year. Regarding these tasks, would the Government provide a comparison of the progress of last year with that of the coming year to justify the 53.6% increase in the estimate?

Asked by: Hon CHAN Chun-ying (LegCo internal reference no.: 21)

Reply:

The cash flow requirement of the general non-recurrent items for 2020-21 estimate will increase by about \$340.9 million as compared with the 2019-20 revised estimate, as set out below –

	General Non-recurrent Item	Commitment (\$'000)	Changes in cash-flow requirement (\$'000)
1	Funding for promoting and facilitating the development of the financial services sector	500,000	+22,196
2	Funding requirements for the eMPF Platform for the administration of Mandatory Provident Fund registered schemes	3,903,630	+414,788

	General Non-recurrent Item	Commitment (\$'000)	Changes in cash-flow requirement (\$'000)
3	One-off funding for promoting and facilitating the development of the insurance industry in Hong Kong (New item created in 2020-21 estimates)	300,000	+300,000
4	Pilot programme to enhance talent training for the insurance sector and the asset and wealth management sector	100,000	+3,902
5	One-off provision of seed capital to the Financial Reporting Council in 2019-20	400,000	-400,000
	Total	5,203,630	+340,886

The estimated expenditure on hire of services and professional fees and general departmental expenses in 2020-21 will increase by about \$42 million as compared with the 2019-20 revised estimate. This is mainly due to the expenses on strengthening our publicity and promotion of Hong Kong's financial services industry both globally and in the Mainland.

In the coming year, apart from continuing our work on promoting the financial services industry on various fronts, we would enhance publicity support for the "Asian Financial Forum", "Hong Kong FinTech Week", and other relevant signature events, including inviting international speakers of repute to these events. The Financial Services Branch (or through supporting the work of the Financial Services Development Council) would also promote Hong Kong's competitiveness as a major international financial centre through media events, seminars, or events in partnership with industry associations and reputable organisations. We will consider hiring of international public relations or marketing consultants for research and strategic counsels in order to strengthen our advertising and marketing efforts globally and in the Mainland.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)002****(Question Serial No. 0972)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is indicated in Programme (1) that the provision for 2020-21 is \$395.5 million (or 53.6%) higher than the revised estimate for 2019-20. This is mainly due to the increased cash flow requirement for non-recurrent commitment items, and anticipated increase in hire of services and professional fees and general departmental expenses. In this regard, would the Government inform this Committee of the details of the additional expenditure?

Asked by: Hon CHAN Kin-por (LegCo internal reference no.: 18)

Reply:

The cash flow requirement of the general non-recurrent items for 2020-21 estimate will increase by about \$340.9 million as compared with the 2019-20 revised estimate, as set out below –

	General Non-recurrent Item	Commitment (\$'000)	Changes in cash-flow requirement (\$'000)
1	Funding for promoting and facilitating the development of the financial services sector	500,000	+22,196
2	Funding requirements for the eMPF Platform for the administration of Mandatory Provident Fund registered schemes	3,903,630	+414,788
3	One-off funding for promoting and facilitating the development of the insurance industry in Hong Kong (New item created in 2020-21 estimates)	300,000	+300,000

	General Non-recurrent Item	Commitment (\$'000)	Changes in cash-flow requirement (\$'000)
4	Pilot programme to enhance talent training for the insurance sector and the asset and wealth management sector	100,000	+3,902
5	One-off provision of seed capital to the Financial Reporting Council in 2019-20	400,000	-400,000
	Total	5,203,630	+340,886

The estimated expenditure on hire of services and professional fees and general departmental expenses in 2020-21 will increase by about \$42 million as compared with the 2019-20 revised estimate. This is mainly due to the expenses on strengthening our promotion both globally and in the Mainland of Hong Kong's financial services industry and our competitiveness as a major international financial centre.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)003

(Question Serial No. 1032)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is pointed out in Programme (1) that the Government will provide tax relief to promote the development of marine insurance and underwriting of specialty risks in Hong Kong, with a view to promoting the development of the insurance industry. However, due to a delay in the election of the Chairman of the Legislative Council (LegCo) House Committee, the relevant bill has yet to be scrutinised. Coupled with the threat of the epidemic, it is very unlikely that the bill would be passed by the end of the current term of the LegCo. In this connection, please inform this Committee of any corresponding measures the Government would take in the event that the bill cannot be passed. If marine insurance and underwriting of specialty risks fail to launch in Hong Kong as planned, what would be the impact on the promotion of the development of the insurance industry? Will the Government undertake to proceed with the legislative work as soon as possible in the new term of the LegCo?

Asked by: Hon CHAN Kin-por (LegCo internal reference no.: 11)

Reply:

To promote the development of marine insurance and the underwriting of specialty risks, the Government introduced the Inland Revenue (Amendment) (Profits Tax Concessions for Insurance-related Businesses) Bill 2019 (the Bill) into the Legislative Council (LegCo) in December 2019. The Bill seeks to provide 50% profits tax relief (i.e. the tax rate will be 8.25%) for all general reinsurance business of direct insurers, selected general insurance business of direct insurers and selected insurance brokerage business. The tax relief proposal in the Bill will also support and enhance the development of high value-added maritime services.

In light of keen international competition, it is necessary for Hong Kong to introduce new measures to enhance its competitiveness and help the insurance industry seize new opportunities, including those arising from the Belt and Road Initiative. We fervently

hope that LegCo will expedite the scrutiny of the Bill. We will continue to strive for early passage of the Bill for implementation of the tax relief proposal as soon as possible.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)004

(Question Serial No. 1033)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

As stated in Programme (1), the Government will continue to oversee the implementation of the pilot programme to enhance talent training for the insurance sector and the asset and wealth management sector. Launched in 2016, the pilot programme will be extended until 2023 after a review conducted by the Government on its effectiveness last year when it is found that the sectors continue to be in keen demand for talents. In this regard, would the Government inform this Committee of the reasons why the pilot programme is not regularised and continues to be run on a pilot basis even though the Government has confirmed that the sectors continue to be in keen demand for talents? With no comprehensive insurance training programme on offer, the insurance sector has proposed the establishment of an insurance college to provide targeted training of global insurance professionals for the further development of the industry. Will the Government re-consider the proposal?

Asked by: Hon CHAN Kin-por (LegCo internal reference no.: 12)

Reply:

Having reviewed the various initiatives under the “Pilot Programme to Enhance Talent Training for the Insurance Sector and the Asset and Wealth Management Sector” (Pilot Programme), we presented the review findings to the Legislative Council Panel on Financial Affairs in August 2019. We have also extended the Pilot Programme with refinements until 2022-23. We will review the Pilot Programme by 2022-23 and consider the way forward after taking into account relevant considerations including the merits, cost effectiveness and feedbacks from stakeholders.

The Financial Secretary announced the plan for an academy of finance to be set up by the Hong Kong Monetary Authority (HKMA) in the 2018-19 Budget. The Hong Kong Academy of Finance (AoF) was established on 26 June 2019 in collaboration with the HKMA, the Securities and Futures Commission, the Insurance Authority and the Mandatory

Provident Fund Schemes Authority. The mission of AoF is to serve as a centre of excellence for developing financial leadership as well as a repository of knowledge in monetary and financial research, including applied research. The insurance sector is one of the key targets for AoF's leadership development programme.

We will continue to explore and devise, in consultation with industry players and stakeholders, initiatives and programmes to promote and facilitate the development of financial services industry (including the insurance sector).

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)005

(Question Serial No. 1034)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is mentioned in paragraph 106 of the Budget Speech that the Leading Group for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area has announced six finance-related measures, covering areas such as personal banking services and insurance. Good progress has been made in the discussions between Hong Kong and the Mainland regarding the establishment of a two-way wealth management connect scheme, which aims to enable residents of Hong Kong and Mainland cities in the Greater Bay Area to invest in wealth management products in each other's market. The Government will strive to implement the scheme as early as possible. In this connection, please inform this Committee of the details of how the discussions are going, whether the discussions are delayed due to the current epidemic and when the scheme is expected to be formally launched.

Asked by: Hon CHAN Kin-por (LegCo internal reference no.: 13)

Reply:

The Hong Kong Monetary Authority has maintained close communication with the Mainland authorities on the design of the wealth management connect scheme, with a view to launching the scheme as early as possible. Drawing on the successful experience of existing mutual market access schemes in devising the relevant management requirements, the scheme aims to enable residents of Hong Kong and Mainland cities in the Greater Bay Area to invest in wealth management products in each other's market, on the premise of ensuring proper management of risks and protection of investors.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)006

(Question Serial No. 1035)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

As stated in Programme (1), the Government will continue to advance financial co-operation with the Mainland, including promoting Hong Kong's efforts in implementing initiatives in relation to the Guangdong-Hong Kong-Macao Greater Bay Area development in respect of the financial services sector. In this connection, please inform this Committee of the Government's efforts regarding its discussion with the Mainland on allowing Hong Kong insurers to set up post-sale service centres in the Greater Bay Area, the current progress, whether there will be any delay due to the outbreak of the novel coronavirus, and the anticipated time for official initiation.

Asked by: Hon CHAN Kin-por (LegCo internal reference no.: 14)

Reply:

The Insurance Authority (IA) has been working closely with the Mainland authorities and the local industry in taking forward various initiatives under the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area.

As regards the proposal to set up post-sale service centres in the Greater Bay Area, the IA has started in-depth communication with the relevant Mainland Authorities. The parties concerned had constructive discussion at the quadripartite meeting of the insurance regulators in Guangdong, Hong Kong, Macau and Shenzhen in January 2020. The IA will continue to liaise closely with the Mainland authorities with a view to attaining early progress in phases.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)007

(Question Serial No. 1036)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is stated under Programme (1) that the Government will continue to promote the establishment of corporate treasury centres in Hong Kong. In this connection, will the Government inform this Committee of the number of enterprises which have established corporate treasury centres in Hong Kong and among which, the number of enterprises which have hence set up regional offices or regional headquarters in Hong Kong? How effective is the scheme for establishing corporate treasury centres?

Asked by: Hon CHAN Kin-por (LegCo internal reference no.: 15)

Reply:

To attract foreign corporates to centralise their treasury functions in Hong Kong, the Government amended the Inland Revenue Ordinance in June 2016 to reduce the profits tax rate by 50% for qualifying corporate treasury centres (CTCs), and to enable the deduction of interest payable on money borrowed by a corporation carrying on in Hong Kong an intra-group financing business under specified conditions. Since the amendment of the Ordinance, nearly 300 cases have benefitted from the tax concessions.

According to the information provided by the Commerce and Economic Development Bureau, in 2019 a total of 1 541 foreign enterprises had set up regional headquarters (RHQs) in Hong Kong, representing an increase of 162 enterprises as compared with 2016. It should be noted that foreign enterprises may choose to set up RHQs in Hong Kong for various considerations, and not necessarily due to tax concessions for CTCs.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)008

(Question Serial No. 1037)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is mentioned in paragraph 58 of the Budget Speech that “the Government launched the Hong Kong Mortgage Corporation Limited (HKMC) Annuity Plan in 2018 to assist the elderly in turning their assets into a lifelong stable cashflow. Over the past two years, the public and the retirees have raised their awareness of life annuity. This gives new impetus to the annuity market. It will lower the minimum entry age of the HKMC Annuity Plan from 65 to 60 so as to facilitate early participation by those in need”. In fact, apart from the public annuity scheme, deferred annuities are also well received by the public. Since the passing of the bill on tax deductions for annuity premiums last year, 90 000 deferred annuity policies have been sold in the market. However, the insurance sector pointed out that taxpayers had to claim tax deductions for deferred annuity premiums and Mandatory Provident Fund voluntary contributions in aggregate and would hence limit the development potential of deferred annuities. Hence, they proposed raising the maximum tax deductible limit. In this connection, will the Government inform this Committee of whether it will, apart from lowering the minimum entry age of the HKMC Annuity Plan, consider raising the maximum tax deductible limit for deferred annuities to encourage people of means to get financially prepared for their retirement needs?

Asked by: Hon CHAN Kin-por (LegCo internal reference no.: 16)

Reply:

From the year of assessment 2019-20 onwards, taxpayers are entitled to tax deductions under salaries tax and personal assessment for their premiums paid to qualifying deferred annuities and contributions made to tax deductible Mandatory Provident Fund voluntary contribution accounts (MPF TVCs), subject to a maximum tax deductible limit of \$60,000 each year per taxpayer. It is an aggregate limit for qualifying deferred annuity premiums and MPF TVCs. The objective is to provide greater flexibility for taxpayers to decide how best to save for their retirement and allocate their tax benefits having regard to their own financial circumstances, retirement planning needs and risk appetite.

Under the above arrangements, a single taxpayer paying tax at the standard rate of 15% can enjoy a maximum of \$9,000 tax deduction per year. This initiative already provides considerable incentive to encourage members of the public to save for their retirement. We will monitor the situation and review the arrangements when necessary.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)009

(Question Serial No. 1038)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is indicated in Programme (1) that the Government will continue to promote the development of the insurance industry, including preparing legislation for allowing the formation of special purpose vehicles in Hong Kong specifically for issuing insurance-linked securities. In this connection, would the Government inform this Committee of the details of the preparatory work concerned and whether the legislative exercise will be affected by the epidemic? What is the estimated time of completion for this initiative?

Asked by: Hon CHAN Kin-por (LegCo internal reference no.: 17)

Reply:

The Chief Executive and the Financial Secretary announced in the 2018 Policy Address and the 2019-20 Budget Speech respectively that the Government would make relevant legislative amendments to allow for the formation of special purpose vehicles specifically for issuing insurance-linked securities (ILS) in Hong Kong, with a view to enriching the risk management tools available in the Hong Kong market.

Notwithstanding the pandemic, we are working full steam ahead in taking forward the initiative. Having consulted the industry and the Legislative Council (LegCo) Panel on Financial Affairs, the Government published the Insurance (Amendment) Bill 2020 (the Bill) in the Gazette on 20 March 2020, and will introduce the Bill into LegCo for first reading as soon as practicable. Subject to the timing of passage of the Bill by LegCo, we aim to implement the proposed new regulatory regime for ILS business around early 2021.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)010

(Question Serial No. 1039)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is indicated in Programme (1) that the Government will continue to promote the development of financial technologies in Hong Kong. As an integral part of our financial industry, the insurance sector has a keen demand for the development of financial technologies. In this connection, would the Government inform this Committee of the initiatives to promote the development of financial technologies in the coming year? Will such technology initiatives be related to the insurance industry?

Asked by: Hon CHAN Kin-por (LegCo internal reference no.: 19)

Reply:

The Government has been promoting the development of Fintech through a multi-pronged approach so as to enhance the overall competitiveness of Hong Kong's financial services industry and consolidate Hong Kong's status as an international financial centre.

Regarding the insurance industry, the Insurance Authority (IA) has strived to promote stable development of the market as well as product enhancement and innovation. Measures include launching the Insurtech Sandbox and Fast Track pilot scheme in September 2017. The Insurtech Sandbox allows insurance companies to test products or services applying innovative technology in a controlled environment, with a view to meeting regulatory requirements in a more flexible manner. As at February 2020, 4 out of 7 applications had been rolled out in the market. The IA also works closely with the Hong Kong Monetary Authority and the Securities and Futures Commission to facilitate cross-industry trials. As regards the Fast Track, it expedites the processing of licence applications for insurance businesses using solely digital distribution channel. The IA authorized the operation of 2 virtual insurers in December 2018 and October 2019 respectively, and expects to issue more licences of similar types this year, with a view to promoting inclusive financing and expanding the distribution channel of products.

Furthermore, the IA has established the Insurtech Facilitation Team to render full support to corporations interested in this aspect, act as a platform for exchanging ideas and maintain close contact with the insurance industry, Government departments and other regulators, with a view to improving the efficiency of value chains and customer experience. These tasks will be conducted on an on-going basis.

Besides, to further facilitate Fintech development in Hong Kong, the Government proposed two new initiatives in the 2019 Policy Address, namely to collaborate with Cyberport to strengthen the Fintech training for in-service financial practitioners, including Insurtech-related courses; and to set up a new in-town Fintech event space for various Fintech stakeholders to host events and exchange ideas and to drive Fintech demand and business opportunities. These two initiatives will benefit the insurance industry and facilitate greater adoption of Insurtech.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)011

(Question Serial No. 1045)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

As stated in Programme (1), the Government will continue to monitor compliance with the licensing conditions by licensed money lenders and conduct public education to raise awareness on prudent borrowing. In this regard, please inform this Committee of the public education activities conducted in the past year and whether their actual effectiveness has been reviewed; the public education activities to be conducted in the coming year; and whether the relevant measures can effectively crack down on money lending-related malpractice.

Asked by: Hon CHAN Kin-por (LegCo internal reference no.: 27)

Reply:

In 2019, the Financial Services and the Treasury Bureau (FSTB) continued an array of public education and publicity activities to raise public awareness of money lending-related malpractices. Such activities include broadcasting Announcements of Public Interest on television and radio; placing territory-wide advertisements on printed media and public transport; distributing publicity materials to public libraries, public housing estates, banks, licensed money lenders, etc.; and posting videos on social media platforms. Relevant publicity videos since 2017 have a total view count of over 1.4 million so far. The FSTB also collaborated with the Police to disseminate relevant information through its online platforms (such as Facebook and YouTube) and publicity events at the district level, and to provide assistance to the public through its anti-deception enquiry hotline of "Anti-Deception Coordination Centre". Furthermore, the FSTB is rolling out another publicity campaign in 2020 with the theme of prudent borrowing. We will continue to work closely with all relevant parties to monitor the situation with a view to refining our public education and publicity activities in light of changing trends.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)012****(Question Serial No. 1255)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (000) Operational expenses

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding Programme (1), the provision for next year is \$395.5 million (53.6%) higher than the revised estimate for this year. Would the Government advise on the specific expenditure items with additional provision? And under this Programme, what is the expenditure to be spent on implementing initiatives in relation to the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Greater Bay Area development in respect of the financial services sector? Specifically, what projects will be implemented?

Asked by: Hon CHEUNG Wah-fung, Christopher (LegCo internal reference no.: 65)

Reply:

The cash flow requirement of the general non-recurrent items for 2020-21 estimate will increase by about \$340.9 million as compared with the 2019-20 revised estimate, as set out below –

	General Non-recurrent Item	Commitment (\$'000)	Changes in cash-flow requirement (\$'000)
1	Funding for promoting and facilitating the development of the financial services sector	500,000	+22,196
2	Funding requirements for the eMPF Platform for the administration of Mandatory Provident Fund registered schemes	3,903,630	+414,788
3	One-off funding for promoting and facilitating the development of the insurance industry in Hong Kong (New	300,000	+300,000

	General Non-recurrent Item	Commitment (\$'000)	Changes in cash-flow requirement (\$'000)
	item created in 2020-21 estimates)		
4	Pilot programme to enhance talent training for the insurance sector and the asset and wealth management sector	100,000	+3,902
5	One-off provision of seed capital to the Financial Reporting Council in 2019-20	400,000	-400,000
	Total	5,203,630	+340,886

The estimated expenditure on hire of services and professional fees and general departmental expenses in 2020-21 will increase by about \$42 million as compared with the 2019-20 revised estimate. This is mainly due to the expenses on strengthening our promotion both globally and in the Mainland of Hong Kong's financial services industry and our competitiveness as a major international financial centre.

The Government attaches great importance to the immense opportunities brought by the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) development. Hong Kong will continue to strengthen financial cooperation with the Mainland and our bridging role between the Mainland and the rest of the world, and contribute to the following in relation to financial services:

- (1) Offshore Renminbi (RMB) business: With a view to enhancing Hong Kong's status as the global offshore RMB business hub, we will continue to explore with the industry and the Mainland authorities on the expansion of the channels for two-way flow of cross-boundary RMB funds, as well as the enhancement and expansion of the mutual access schemes between the financial markets in the two places. We will also leverage the opportunities and the "early and pilot implementation" advantages arising from the Greater Bay Area development, and continue to study and promote policy measures that further facilitate the cross-boundary flow of RMB in the Greater Bay Area. These include expanding the pilot scheme for Hong Kong residents to remotely open bank accounts in the Greater Bay Area and implementing the two-way wealth management connect scheme to meet the cross-boundary financial service needs of residents and corporates in the two places;
- (2) Infrastructure project financing: The Hong Kong Monetary Authority's (HKMA) Infrastructure Financing Facilitation Office (IFFO) aims to facilitate the investment and financing of sustainable infrastructure and green development, by working with a cluster of key stakeholders who are invited as partners. In May 2019, HKMA announced the establishment of the Centre for Green Finance under IFFO to promote both Hong Kong as the hub for green finance in Asia and the importance of sustainability for infrastructure investment and financing. So far, 95 organisations from the Mainland, Hong Kong and overseas have joined IFFO as partners;
- (3) Asset and wealth management: We are taking forward the legislative work for the introduction of a limited partnership regime for funds with a view to attracting private equity funds to register and operate in Hong Kong. This measure is expected to be

beneficial to the financing and investment of private equity funds in Hong Kong and the Mainland;

- (4) Risk management: We introduced an amendment bill into the Legislative Council in December 2019 to provide tax incentive to promote the development of marine insurance and underwriting of specialty risks. We also published in the Gazette in March 2020 another amendment bill to facilitate the issuance of insurance-linked securities in Hong Kong and expand the scope of insurable risks by captive insurers set up in Hong Kong. Furthermore, there is consensus with the Mainland authorities to allow a lower capital requirement for the Mainland insurer when it cedes business to a qualified Hong Kong professional reinsurer. The Insurance Authority has also launched the Belt and Road Insurance Exchange Facilitation platform, which brings together a cluster of key stakeholders and provides a platform for exchanging intelligence on risk management and insurance, facilitating networking and looking for solutions. All these measures will enhance the competitiveness of Hong Kong insurance industry to develop its risk management businesses to meet the emerging needs arising from the Belt and Road Initiative and the Greater Bay Area development;
- (5) Listing: The Securities and Futures Commission issued a statement in April 2017 to explain its approach to the proposed listing of infrastructure project companies, such as those falling within the Belt and Road Initiative, in Hong Kong. In particular, the statement sets out the factors that it will take into account when reviewing the proposed listing of infrastructure project companies in Hong Kong, so as to provide a pathway for infrastructure project companies to achieve a listing in Hong Kong; and
- (6) Corporate Treasury Centres (CTCs): To attract foreign corporates to centralise their treasury functions in Hong Kong, the Government amended the Inland Revenue Ordinance in June 2016 to reduce the profits tax rate by 50% for qualifying CTCs, and to enable the deduction of interest payable on money borrowed by a corporation carrying on in Hong Kong an intra-group financing business under specified conditions. Since the amendment of the Ordinance, nearly 300 cases have benefitted from the tax concessions.

The “Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area” (Outline Development Plan) confirms and supports Hong Kong’s status as an international financial centre, a global offshore RMB business hub, an international asset and risk management centre, and a platform for investment and financing serving the Belt and Road Initiative. Following the third meeting of the Leading Group for the Development of the Greater Bay Area, the Central Government introduced six policy measures in relation to the financial services sector, including supporting the use of mobile electronic payment by Hong Kong residents on the Mainland; pilot scheme for Hong Kong residents to open Mainland personal bank accounts in the Greater Bay Area remotely by attestation; exploring the establishment of a cross-boundary wealth management connect scheme; preferential treatment on insurance regulation; removing the requirement on years of operating experience for Hong Kong service suppliers to provide insurance loss adjusting services on the Mainland; and supporting Mainland insurers to issue catastrophe bonds in Hong Kong and Macao.

We will continue to liaise closely with the relevant Mainland authorities to follow up on the implementation of the above measures. Among others, HKMA has maintained close communication with the Mainland authorities on the design of the wealth management connect scheme, with a view to launching the scheme as early as possible. Drawing on the successful experience of existing mutual market access schemes in devising the relevant management requirements, the scheme aims to enable residents of Hong Kong and Mainland cities in the Greater Bay Area to invest in wealth management products in each other's market, on the premise of ensuring proper management of risks and protection of investors.

The above work is being pursued jointly by the Government and relevant financial regulators. The related expenses will be absorbed from within existing resources in the Financial Services Branch. We do not have a separate breakdown.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)013****(Question Serial No. 1256)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (000) Operational expenses

Programme: (2) Subvention: Financial Services Development Council

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the increase of \$2.0 million (6.7%) in the estimated expenditure of the Financial Services Development Council for the coming year under Programme (2), what is it mainly used for and what is the proportion of the expenditure for additional manpower?

Asked by: Hon CHEUNG Wah-fung, Christopher (LegCo internal reference no.: 66)

Reply:

The Government subvention to the Financial Services Development Council (FSDC) in 2020-21 is estimated to be \$32 million, which is the same as the 2019-20 Original Estimates and has increased by \$2 million in comparison with 2019-20 Revised Estimates.

The expenditure budget of the FSDC in 2020-21 is \$34.3 million as summarised in the following table. The additional funding requirement of \$2.3 million will be met by FSDC's reserve.

Expenditure Item	2020-21 Budget (\$ million)
Market Promotion	6.1
Research	2.1
Human Capital Development	0.5
Staff, Accommodation and Other Administrative Costs	25.6
Total	34.3

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)014

(Question Serial No. 1260)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The Financial Secretary is planning to use part of the Future Fund to set up the Hong Kong Growth Portfolio for direct investments in projects with a "Hong Kong nexus". In this regard, would the Government advise this Committee on the size of the portfolio, pre-set growth targets and details of investments?

Asked by: Hon CHEUNG Wah-fung, Christopher (LegCo internal reference no.: 71)

Reply:

The Government plans to establish a new Hong Kong Growth Portfolio (HKGP), with an initial allocation of 10% from the Future Fund (i.e. about \$22 billion), to make strategic investments in projects with a Hong Kong nexus. The purpose is to enhance returns, while also consolidating Hong Kong's status as a financial, commercial and innovation centre, and raising Hong Kong's productivity and competitiveness in the long run.

A project could be regarded as having a Hong Kong nexus if it would be undertaken by a Hong Kong-based company, or would take place in Hong Kong, or both, but the merits and relevance of individual projects will also be considered. The Government will establish a two-tier committee framework for the HKGP, including a Governance Committee for setting the basic parameters of the HKGP (including investment objectives, investment guidelines, scope etc.) and providing strategic steer, as well as an Investment Committee for deciding on the appointment of general partners, who will be responsible for sourcing projects and making investments for the HKGP.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)015

(Question Serial No. 1266)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is stated in paragraph 106 of the Budget that good progress has been made in the discussions over a two-way wealth management connect scheme. Regarding this, will the Government inform this Committee:

1. when the scheme will be launched and which financial institutions will be benefited; whether it will consider to cover local brokers under the scheme; which investment products will be covered; what amount of resources will be deployed to promote the development of the scheme; in the event that Hong Kong people are allowed to invest in relevant wealth management products in the Mainland, what protection will be offered if an event of default occurs;
2. why deepening the mutual access between financial markets in Hong Kong and the Mainland is no longer mentioned in the work under Programme (1); whether it means a change or even cessation of such work; whether it will explore the inclusion of Shanghai Science and Technology Innovation Board into Shanghai-Hong Kong Stock Connect; and
3. whether it will communicate or clarify with the Mainland authorities on the possibility of including Chinese concept stocks which have a secondary listing in Hong Kong in the trading list of Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect in order to encourage more Chinese concept stocks to seek a secondary listing in Hong Kong?

Asked by: Hon CHEUNG Wah-fung, Christopher (LegCo internal reference no.: 77)

Reply:

1. The Hong Kong Monetary Authority has maintained close communication with the Mainland authorities on the design of the wealth management connect scheme, with a view to launching the scheme as early as possible. Drawing on the successful experience of existing mutual market access schemes in devising the relevant

management requirements, the scheme aims to enable residents of Hong Kong and Mainland cities in the Greater Bay Area to invest in wealth management products in each other's market, on the premise of ensuring proper management of risks and protection of investors.

2. In line with past practice, we state in Programme (1) of the above Head that we will continue to advance financial co-operation with the Mainland. This includes on-going efforts in the deepening of mutual access between Hong Kong and the Mainland financial markets. With regard to the inclusion of stocks listed on the Shanghai Stock Exchange's Sci-Tech Innovation Board ("STAR Market") in the mutual market access programmes, the stock exchanges of Hong Kong, Shanghai and Shenzhen announced in July 2019 that for companies dually listed on the STAR Market and the Hong Kong Exchanges and Clearing Limited ("HKEX") (i.e. A+H companies), they would be included in the scope of eligible securities under Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect. The date for the inclusion to take effect will be announced in due course.
3. We will continue to deepen the mutual market access schemes, including expanding the scope of eligible products. Among others, the Government and the regulatory authorities will continue discussion with the relevant Mainland authorities to include companies secondary-listed in Hong Kong under the new listing regime as eligible securities under Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, with a view to further promoting the collaboration and interaction between the two financial markets.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)016

(Question Serial No. 0342)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the proposal to use part of the Future Fund to set up the Hong Kong Growth Portfolio for direct investments in projects with a “Hong Kong nexus”, will the Government inform this Committee:

1. the actual amount of the part of the Fund for such purpose;
2. some examples of projects with a “Hong Kong nexus”; and
3. the criteria for approving such investment projects.

Asked by: Hon IP LAU Suk-ye, Regina (LegCo internal reference no.: 21)

Reply:

1. The Government plans to establish a new Hong Kong Growth Portfolio (HKGP), with an initial allocation of 10% from the Future Fund (i.e. about \$22 billion), to make strategic investments in projects with a Hong Kong nexus.
2. A project could be regarded as having a Hong Kong nexus if it would be undertaken by a Hong Kong-based company, or would take place in Hong Kong, or both, but the merits and relevance of individual projects will also be considered.
3. The Government will establish a two-tier committee framework for the HKGP, including a Governance Committee for setting the basic parameters of the HKGP (including investment objectives, investment guidelines, scope etc.) and providing strategic steer, as well as an Investment Committee for deciding on the appointment of general partners, who will be responsible for sourcing projects and making investments for the HKGP.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)017

(Question Serial No. 2749)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services, (2) Subvention: Financial Services Development Council

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding Head 148, would the Government inform this Committee of the following:

1. For Programme 1, the expenditure required for developing the eMPF Platform is higher than the original approved amount. What are the reasons?
2. For Programme 2, what measures were taken by the Financial Services Development Council (FSDC) over the past 3 years in enhancing the core competence and knowledge of practitioners? Please set out the date, theme, target practitioners, number of people reached and total expenditure of every measure in table form;
3. For Subhead 000 Operational expenses, the provision this year represents an increase of 26% over the revised estimate for 2019-20. Please elaborate on the details relating to hire of services and professional fees. Please also set out the amount of every service and fee item over the past 3 financial years and the anticipated increase in provision and percentage for 2020-21.
4. For Subhead 700 Item 808, please set out the relevant details in table form, including the targets, key performance indicators of each target, estimated provision for each target and anticipated goal of the item as a whole.

Asked by: Hon KWOK Wing-hang, Dennis (LegCo internal reference no.: 61)

Reply:

1. The non-recurrent funding of \$3,367.15 million was approved by the Legislative Council (LegCo) in May 2019 for building the eMPF Platform. The Mandatory Provident Fund Schemes Authority (MPFA) has been tasked by the Government as the implementation agent for the project. The funding does not cover funding requirements for the set-up and initial years of operation of the wholly owned subsidiary (eMPF Platform entity) to be formed by MPFA. Funding will be required for the first two years of set-up and operation (i.e. 2020-21 and 2021-22) of the eMPF

Platform entity (or by MPFA before the wholly owned subsidiary is set up) to take charge of the tendering and development of the eMPF Platform, including expenses for office rental and fitting out, procurement of equipment and furniture, and the hiring of staff for essential functions covering project management, legal and human resource management, etc.

In addition, additional IT costs are also required in the following aspects –

- (a) to provide additional hardware and software support for ensuring an effective interface between the eMPF Platform and trustees such that the latter can assist their clients to handle paper-based transactions during the transitional period upon the migration of MPF administration work from trustees' existing individual systems to the eMPF Platform;
- (b) to provide software support for employers to facilitate them to use the eMPF Platform upon and after the migration; and
- (c) to further increase data storage capacity and functionalities for common standards of anti-money laundering / know-your-customer on-boarding capability and services for members.

The relevant additional funding requirements will be \$536.48 million spanning over the financial years of 2020-21 (\$136.12 million) and 2021-22 (\$400.36 million). We briefed the Panel on Financial Affairs of LegCo (the Panel) in December 2019 on the above additional funding requirements and received the Panel's support.

2. The number of seminars on human capital development organised/participated by the FSDC from 2017-18 to 2019-20 and the relevant expenditure are as follows:

Year	No. of Seminars	Expenditure (\$)
2017-18	10	101,000
2018-19	11	125,000
2019-20	8	185,000

The target audiences for the seminars included students, practitioners and individuals with aspiration in pursuing a career in the financial services industry. Practitioners of the financial services industry were invited to present the latest industry trends and career opportunities in the sector at the seminars. The seminars were held at different locations including campuses and the venue of a financial organisation. The numbers of participants ranged from a few dozens to over 400. The FSDC also promoted those human capital initiatives through media channels.

3. The estimated expenditure on hire of services and professional fees in 2020-21 will increase by about \$37 million as compared with the 2019-20 revised estimate. This is mainly due to the expenses on strengthening our publicity and promotion of Hong Kong's financial services industry both globally and in the Mainland.

In the coming year, apart from continuing our work on promoting the financial services industry on various fronts, we would enhance publicity support for the "Asian Financial Forum", "Hong Kong FinTech Week", and other relevant signature events, including inviting international speakers of repute to these events. The Financial Services Branch (FSB), or through supporting the work of the FSDC, would also promote Hong Kong's competitiveness as a major international financial centre through media events, seminars, or events in partnership with industry associations and reputable organisations. We will consider hiring of international public relations or marketing consultants for research and strategic counsels in order to strengthen our advertising and marketing efforts globally and in the Mainland.

The 2020-21 estimates and the 2019-20 revised estimates of other expenditure items under hire of services and professional fees (e.g. hiring of adjudicators for various FSB-related tribunals and external lawyers, other professional service fees, etc.) are maintained at similar level.

4. The objective of the General non-recurrent item under Subhead 700 Item 808 is to promote and facilitate the development of insurance industry in Hong Kong. The 2020-21 estimate is \$300 million. The key performance indicators and anticipated goal of this item are as follows: -

The Government proposes to provide funding of \$300 million to the Insurance Authority (IA) in 2020-21 to assist the IA to tide over its projected cash shortfall in the short to medium term and maintain an appropriate level of reserve. With the proposed funding, the IA will have adequate resources to dedicate its efforts in promoting and facilitating the development of the insurance industry in Hong Kong.

In the coming years, the IA will assist the Government in taking forward a number of initiatives to strengthen Hong Kong's position as an international insurance hub. These initiatives include promoting Hong Kong as a preferred base for issuance of insurance-linked securities and for setting up of captive insurers, enhancing group-wide supervision for large insurance groups, establishing a policyholder protection scheme, implementing a risk-based capital regime and facilitating the insurance industry in Hong Kong to capitalize on the business opportunities arising from the development of the Guangdong-Hong Kong-Macao Greater Bay Area and the "Belt and Road" initiative.

- End -

CONTROLLING OFFICER'S REPLY

(Question Serial No. 1161)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

In recent years, the Government has been actively promoting the development of the asset and wealth management sector and corporate treasury centres. Please set out the new measures introduced over the past 5 years to promote the development of the relevant industries (such as profits tax exemption for specified funds and legislative amendments), together with information about the development of the asset and wealth management market (such as the numbers of funds managed, companies or funds newly-created and practitioners) over the past 5 years.

Asked by: Hon LAM Kin-fung, Jeffrey (LegCo internal reference no.: 16)

Reply:

In the past 5 years, the Government has implemented a series of measures to enhance Hong Kong's competitiveness as an asset and wealth management centre as well as corporate treasury centre. These measures include –

- (a) introduction of new fund regimes – after the operation of the open-ended fund company regime in July 2018 which allows a fund to be set up in the form of a company besides unit trust, we are taking forward the legislative work for the introduction of a limited partnership regime for private equity funds. This should provide more choices for fund domiciliation;
- (b) provision of a facilitating tax environment for funds – all publicly offered funds can enjoy profits tax exemption. As for privately offered funds, following the extension of profits tax exemption to offshore private equity funds and onshore open-ended fund companies in 2015 and 2018 respectively, all onshore and offshore privately offered

funds can enjoy profits tax exemption for their transactions in specified assets subject to meeting certain conditions with effect from 1 April 2019;

- (c) expansion of the fund distribution network – the Securities and Futures Commission (SFC) has reached mutual recognition of funds arrangement (MRF) with the Mainland, Switzerland, France, the United Kingdom, Luxembourg and the Netherlands. An MRF allows eligible funds to be offered directly in each other's market after obtaining authorisation under streamlined procedures. The SFC will continue with its efforts in this regard; and
- (d) tax concessions for Corporate Treasury Centres (CTCs) – The Government amended the Inland Revenue Ordinance (IRO) in June 2016 to reduce the profits tax rate by 50% for qualifying CTCs, and to enable the deduction of interest payable on money borrowed by a corporation carrying on in Hong Kong an intra-group financing business under specified conditions. The Government further amended the IRO in July 2018 to extend the coverage of profits tax concession to specified treasury services provided by qualifying CTCs to their onshore associated corporations, so as to enhance the attractiveness of the tax concessions to Mainland and overseas enterprises.

Between end of 2013 and end of 2018, the assets under management of the asset and wealth management business in Hong Kong increased by about 50% to \$23,955 billion. The number of firms engaging in asset management, fund advisory, private banking and private wealth management business rose by 49% to 827 in this five-year period. The number of staff in the asset and wealth management business increased by 35% to 42 821.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)019

(Question Serial No. 2615)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please set out by year the names of participants of the Hong Kong Exchanges and Clearing Limited that have ceased operation voluntarily over the past 10 years, their years of ceasing operation and the licences of regulated activities involved.

Asked by: Hon LEUNG Kenneth (LegCo internal reference no.: 106)

Reply:

According to the Stock Exchange of Hong Kong Limited (SEHK), its participants are required to be licensed by the Securities and Futures Commission for Type 1 (dealing in securities) regulated activity. In the past 10 years, the number of new participants commencing their operation ranged from 10 to 70 every year whereas the number of participants ceasing their operation voluntarily ranged from 4 to 22 every year. Information relating to the participants of the SEHK that have ceased operation voluntarily in the past 10 years is at **Annex**.

Information on the Participants of the SEHK
Having Ceased Operation Voluntarily in the Past 10 Years

Year	Name of participants of the SEHK
2010	MainFirst Securities Hong Kong Ltd
2010	Lai Po Hung & Co Ltd
2010	ETRADE Securities (Hong Kong) Ltd
2011	Polaris Capital (Asia) Ltd
2011	TIS Securities (HK) Ltd
2011	T & F Equities Ltd
2011	Knight Capital Asia Ltd
2011	Central Wealth Securities Investment Ltd
2012	AXT Limited
2012	Samsung Securities (Asia) Limited
2012	Goldtech Securities Limited
2012	Ambition Securities Co. Limited
2012	Renaissance Capital (Hong Kong) Limited
2012	Standard Securities Asia Limited
2012	Interchina Securities Limited
2012	Piper Jaffray Asia Securities Limited
2012	Midway International Securities Limited
2012	China Securities Holdings Limited
2013	Yu On Securities Company Limited
2013	United World Online Limited
2013	Starling Group Securities Limited
2013	GETCO Asia (Hong Kong) Limited
2013	A One Investment Company Limited
2013	Waterland Securities (HK) Company Limited
2013	3V Capital Limited
2013	Salisbury Securities Limited
2013	Rabo Brokerage HK Limited
2013	Residents Securities Limited
2013	King Fook Securities Company Limited
2013	Chinawide Securities Limited
2013	Liquid Capital Markets Hong Kong Limited
2013	OCBC Securities (Hong Kong) Limited
2013	RPS Investment Limited
2014	Shenyin Wanguo Online Broker (H.K.) Limited
2014	China Pacific Securities Limited
2014	Luen Hing Securities Limited
2014	Yee Fat Securities Company Limited
2014	Hou Tak Securities Limited
2014	ANZ Securities (HK) Limited

Year	Name of participants of the SEHK
2014	IBTS Asia (HK) Limited
2014	Chekiang First Securities Co. Limited
2014	Essence International Financial Holdings Limited
2014	Kam Wah Securities Limited
2014	Execution Noble (Hong Kong) Limited
2014	Soo Pei Shao & Company Limited
2015	Magusta Securities Limited
2015	Luen Sing Securities Limited
2015	Chuangs & Co. Limited
2015	China Point Stock Brokers Limited
2015	Oriental Wealth Securities Limited
2015	Daiwa Capital Markets Trading Hong Kong Limited
2016	T & F Equities Limited
2016	RBS Asia Limited
2016	Sanston Financial Group Limited
2016	Standard Chartered Securities (Hong Kong) Limited
2017	Wing On Cheong Securities Company Limited
2017	Everhot Securities Limited
2017	W. Falcon Asset Management (Asia) Limited
2017	SMBC Nikko Securities (Hong Kong) Limited
2018	Big Bay Securities (HK) Limited
2018	Ingensoma Trading Group Limited
2018	China Jianxin Financial Services Limited
2018	Beijing Securities Limited
2018	SP Securities Limited
2018	Pinetree Securities Limited
2018	Yunfeng Financial Markets Limited
2019	Golden Hill Investment Company Limited
2019	Winning Securities Company Limited
2019	LT Securities Limited
2019	STI Asset Management Limited
2019	Pico Zeman Securities (HK) Limited
2019	Commerz Securities Hong Kong Limited
2019	Formax Securities Limited
2019	Genting Securities Limited
2019	Penjing Asset Management (Asia) Limited
2019	Asia Wealth Securities Limited
2019	Bali Securities Co. Limited
2019	FT Securities Limited
2019	Tensant Securities Limited
2019	Aevitas Securities Limited
2019	Lau & Company Limited
2019	Marigold International Securities Limited

Year	Name of participants of the SEHK
2019	Pacific International Securities Limited
2019	Ko Kun Stock Company Limited
2019	PFC International Company Limited
2019	Parchment Investment Limited
2019	Times Securities Company Limited
2019	SP Global Access Limited

Source: Hong Kong Exchanges and Clearing Limited

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)020

(Question Serial No. 2616)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please provide the following figures regarding enterprises listed in Hong Kong as at the end of each of the years between 2010 and 2019:

1. the total number of listed companies and the numbers of newly listed companies, delisted companies and suspended companies;
2. the respective percentage shares of Chinese private enterprises, Chinese state-owned enterprises and Hong Kong enterprises in the total number of listed companies;
3. the total market capitalisation of all listed companies and the respective percentage shares of Chinese private enterprises, Chinese state-owned enterprises and Hong Kong enterprises in the aforesaid total market capitalisation; and
4. the total turnover of all listed companies and the respective percentage shares of Chinese private enterprises, Chinese state-owned enterprises and Hong Kong enterprises in the aforesaid total turnover.

Asked by: Hon LEUNG Kenneth (LegCo internal reference no.: 108)

Reply:

According to the Hong Kong Exchanges and Clearing Limited (HKEX), the number of listed companies, delisted companies and suspended companies between 2010 and 2019 are at **Annex A**. The respective percentage shares of Mainland enterprises and enterprises of other regions (including Hong Kong) in the total number of listed companies are at **Annex B**. The total market capitalisation of listed companies and the respective percentage shares of Mainland enterprises and enterprises of other regions (including Hong Kong) in the total market capitalisation are at **Annex C**. The total turnover of listed companies and the respective percentage shares of Mainland enterprises and enterprises of other regions (including Hong Kong) in the total turnover are at **Annex D**.

The Number of Listed, Delisted and Suspended Companies by Year (2010 to 2019)

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Number of listed companies	1 413	1 496	1 547	1 643	1 752	1 866	1 973	2 118	2 315	2 449
Number of newly listed companies	21	101	64	110	122	138	126	174	218	183
Number of delisted companies #	7	6	11	6	6	10	13	16	11	29
Number of suspended companies (over 3 months)	48	50	53	47	45	58	56	56	82	83

Source: HKEX

Excluding those delisted from GEM and transferred to Main Board

**Percentage Shares of Mainland Enterprises and Enterprises of Other Regions (including Hong Kong)
in the Total Number of Listed Companies by Year (2010 to 2019)**

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total number of listed companies	1 413	1 496	1 547	1 643	1 752	1 866	1 973	2 118	2 315	2 449
<i>Percentage Share of the number of Mainland Enterprises</i>										
Mainland private enterprises	23%	24%	28%	30%	31%	31%	31%	30%	31%	32%
Mainland H shares enterprises	12%	11%	11%	11%	12%	12%	12%	12%	12%	12%
Mainland Red Chip enterprises	7%	7%	7%	7%	8%	8%	8%	8%	7%	7%
<i>Percentage Share of the number of Enterprises of other regions (including Hong Kong)</i>										
Enterprises of other regions (including Hong Kong)	58%	57%	53%	51%	50%	49%	49%	50%	50%	49%

Source: HKEX

Note 1: The figures on the percentage shares of the respective enterprises do not add up to the total due to rounding.

Note 2: Mainland Enterprises refer to the following –

- Mainland private enterprises are enterprises that are incorporated outside of the Mainland and are controlled by Mainland individuals;
- H-share enterprises are enterprises that are incorporated in the Mainland which are either controlled by Mainland Government entities or individuals; and
- Red chip enterprises are enterprises that are incorporated outside of the Mainland and are controlled by Mainland Government entities.

**Percentage Shares of Mainland Enterprises and Enterprises of Other Regions (including Hong Kong)
in the Total Market Capitalisation of Listed Companies by Year (2010 to 2019)**

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total market capitalisation of listed companies (in HK \$ billion)	21,077.0	17,537.3	21,950.1	24,042.8	25,071.8	24,683.7	24,761.3	33,998.8	29,909.4	38,165.0
<i>Percentage Share of the market capitalisation of Mainland Enterprises</i>										
Mainland private enterprises	11%	9%	13%	16%	16%	20%	22%	29%	30%	42%
Mainland H Share enterprises	25%	23%	22%	20%	23%	21%	21%	20%	20%	17%
Mainland Red Chip enterprises	21%	23%	22%	20%	21%	21%	20%	17%	18%	14%
<i>Percentage Share of the market capitalisation of Enterprises of other regions (including Hong Kong)</i>										
Enterprises of other regions (including Hong Kong)	43%	45%	43%	43%	40%	38%	37%	34%	32%	27%

Source: HKEX

Note 1: The figures on the percentage shares of the respective enterprises do not add up to the total due to rounding.

Note 2: Mainland Enterprises refer to the following –

- Mainland private enterprises are enterprises that are incorporated outside of the Mainland and are controlled by Mainland individuals;
- H-share enterprises are enterprises that are incorporated in the Mainland which are either controlled by Mainland Government entities or individuals; and
- Red chip enterprises are enterprises that are incorporated outside of the Mainland and are controlled by Mainland Government entities.

**Percentage Shares of Mainland Enterprises and Enterprises of Other Regions (including Hong Kong)
in the Total Turnover of Listed Companies by Year (2010 to 2019)**

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total turnover of listed companies (in HK \$ billion)	12,411.3	12,069.0	9,529.1	11,221.9	12,636.8	17,482.2	11,173.1	16,202.5	19,461.0	15,597.9
<i>Percentage Share of the total turnover of Mainland Enterprises</i>										
Mainland private enterprises	14%	13%	16%	19%	21%	19%	21%	30%	34%	36%
Mainland H Share enterprises	38%	39%	39%	38%	35%	39%	36%	34%	34%	32%
Mainland Red Chip enterprises	16%	14%	15%	15%	15%	14%	14%	12%	11%	11%
<i>Percentage Share of the total turnover of Enterprises of other regions (including Hong Kong)</i>										
Enterprises of other regions (including Hong Kong)	32%	34%	30%	28%	29%	27%	29%	24%	20%	21%

Source: HKEX

Note 1: The figures on the percentage shares of the respective enterprises do not add up to the total due to rounding.

Note 2: Mainland Enterprises refer to the following –

- Mainland private enterprises are enterprises that are incorporated outside of the Mainland and are controlled by Mainland individuals;
- H-share enterprises are enterprises that are incorporated in the Mainland which are either controlled by Mainland Government entities or individuals; and
- Red chip enterprises are enterprises that are incorporated outside of the Mainland and are controlled by Mainland Government entities.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)021

(Question Serial No. 2617)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please set out by year the names of enterprises delisted over the past 10 years, their stock codes, businesses engaged in, backgrounds (i.e. Chinese-funded companies, Hong Kong-funded companies or companies of other funding sources), final market capitalisation before delisting, and year of delisting.

Asked by: Hon LEUNG Kenneth (LegCo internal reference no.: 109)

Reply:

According to the Hong Kong Exchanges and Clearing Limited (HKEX), information relating to enterprises delisted over the past 10 years (including enterprises delisted voluntarily) is as at the Annex.

Enterprises delisted from the Stock Exchange of Hong Kong in the past 10 years
(including enterprises delisted voluntarily)

Year	Name of delisted enterprises	Stock Code	Industry Sector	Background	Market capitalisation before delisting (in million dollars)
2010	Meadville Holdings Limited	3313	Industrials	Others	6,206
2010	Times Ltd.	1832	Consumer Services	Mainland Enterprise	4,020
2010	Hutchison Telecommunications International Limited	2332	Tele-communications	Others	10,505
2010	Wheelock Properties Limited	49	Properties & Construction	Others	26,781
2010	Denway Motors Limited	203	Consumer Goods	Mainland Enterprise	31,804
2010	Integrated Distribution Services Group Limited	2387	Consumer Goods	Others	8,287
2010	Industrial and Commercial Bank of China (Asia) Limited	349	Financials	Mainland Enterprise	39,751
2011	Shanghai Forte Land Co., Ltd.	2337	Properties & Construction	Mainland Enterprise	3,673
2011	Fubon Bank (Hong Kong) Limited	636	Financials	Others	6,060
2011	Peace Mark (Holdings) Limited	304	Consumer Goods	Others	1,888
2011	Pan Sino International Holding Limited	502	Consumer Goods	Others	557
2011	China Resources Microelectronics Limited	597	Information Technology	Mainland Enterprise	4,175
2011	HannStar Board International Holdings Limited	667	Industrials	Others	1,619
2012	EganaGoldpfeil (Holdings) Limited	48	Consumer Goods	Others	966
2012	Little Sheep Group Limited	968	Consumer Services	Mainland Enterprise	6,715
2012	Zhengzhou China Resources Gas Co., Ltd.	3928	Utilities	Mainland Enterprise	907
2012	Hang Ten Group Holdings Limited	448	Consumer Goods	Others	2,632
2012	Schramm Holding AG	955	Materials	Others	1,537
2012	Cosway Corporation Limited	288	Consumer Services	Others	5,045
2012	International Mining Machinery Holdings Limited	1683	Industrials	Mainland Enterprise	11,026
2012	Samling Global Limited	3938	Materials	Others	3,221
2012	Alibaba.com Limited	1688	Information Technology	Mainland Enterprise	67,280
2012	3D-GOLD Jewellery Holdings Limited	870	Materials	Others	619
2012	ERA Mining Machinery Limited	8043	Industrials	Mainland Enterprise	4,949
2013	Mudan Automobile Shares Company Limited	8188	Industrials	Mainland Enterprise	31

Year	Name of delisted enterprises	Stock Code	Industry Sector	Background	Market capitalisation before delisting (in million dollars)
2013	Zhejiang Glass Company, Limited	739	Industrials	Mainland Enterprise	955
2013	Trauson Holdings Company Limited	325	Consumer Goods	Mainland Enterprise	5,776
2013	Hontex International Holdings Company Limited	946	Consumer Goods	Mainland Enterprise	3,103
2013	PCD Stores (Group) Limited	331	Consumer Services	Mainland Enterprise	4,968
2013	Tungda Innovative Lighting Holdings Limited	8229	Consumer Goods	Others	196
2014	Magic Holdings International Limited	1633	Consumer Goods	Mainland Enterprise	6,518
2014	SBI Holdings, Inc.	6488	Financials	Others	17,665
2014	Great Wall Technology Co. Ltd.	74	Information Technology	Mainland Enterprise	1,443
2014	CapitaMalls Asia Limited	6813	Properties & Construction	Others	57,215
2014	Regent Manner International Holdings Limited	1997	Industrials	Others	3,848
2014	OCBC Wing Hang Bank Limited	302	Financials	Others	37,561
2015	Pyxis Group Limited	516	Consumer Services	Others	408
2015	Hunan Nonferrous Metals Corporation Ltd.	2626	Materials	Mainland Enterprise	6,825
2015	China CNR Corporation Ltd.	6199	Industrials	Mainland Enterprise	33,840
2015	Hutchison Whampoa Limited	13	Conglomerates	Others	490,288
2015	econtext Asia Limited	1390	Information Technology	Others	2,111
2015	Melco Crown Entertainment Limited	6883	Consumer Services	Others	76,083
2015	Sing Pao Media Enterprises Limited	8010	Consumer Services	Others	30
2015	Sanmenxia Tianyuan Aluminum Co. Ltd.	8253	Materials	Mainland Enterprise	48
2015	Dorsett Hospitality International Limited	2266	Consumer Services	Others	3,235
2015	Jingwei Textile Machinery Co. Ltd.	350	Industrials	Mainland Enterprise	2,166
2016	Wumart Stores, Inc.	1025	Consumer Services	Mainland Enterprise	3,327
2016	China Metal Recycling (Holdings) Ltd.	773	Materials	Mainland Enterprise	11,094
2016	Dongpeng Holdings Co. Ltd.	3386	Properties & Construction	Mainland Enterprise	5,656
2016	Vale S.A.	6210	Materials	Others	7,064
2016	New World China Land Limited	917	Properties & Construction	Others	67,443
2016	Dalian Wanda Commercial Properties Co., Ltd.	3699	Properties & Construction	Mainland Enterprise	34,259
2016	AUPU Group Holding Company Limited	477	Consumer Goods	Mainland Enterprise	2,817
2016	TCL Communication Technology Holdings Ltd.	2618	Information Technology	Mainland Enterprise	9,554

Year	Name of delisted enterprises	Stock Code	Industry Sector	Background	Market capitalisation before delisting (in million dollars)
2016	Nirvana Asia Ltd	1438	Consumer Services	Others	8,098
2016	Long Success International (Holdings) Limited	8017	Consumer Goods	Others	595
2016	Bracell Ltd.	1768	Materials	Mainland Enterprise	7,767
2016	Peak Sport Products Co., Limited	1968	Consumer Goods	Mainland Enterprise	6,188
2016	Anhui Tianda Oil Pipe Co. Ltd.	839	Energy	Mainland Enterprise	826
2017	Ruifeng Petroleum Chemical Holdings Limited	8096	Energy	Mainland Enterprise	138
2017	China Forestry Holdings Co., Ltd.	930	Materials	Mainland Enterprise	8,952
2017	Chinalco Mining Corporation International	3668	Materials	Mainland Enterprise	16,309
2017	Intime Retail (Group) Company Limited	1833	Consumer Services	Mainland Enterprise	27,200
2017	AcrossAsia Limited	8061	Tele-communications	Others	355
2017	Jilin Qifeng Chemical Fiber Co., Ltd.	549	Materials	Mainland Enterprise	283
2017	Shandong Luoxin Pharmaceutical Group Stock Co., Ltd.	8058	Consumer Goods	Mainland Enterprise	2,791
2017	Belle International Holdings Limited	1880	Consumer Goods	Others	52,630
2017	Goldin Properties Holdings Limited	283	Properties & Construction	Others	31,801
2017	Yingde Gases Group Co. Ltd.	2168	Materials	Mainland Enterprise	11,362
2017	China Metal International Holdings Inc.	319	Consumer Goods	Others	2,992
2017	Dejin Resources Group Co. Ltd.	1163	Materials	Others	92
2017	Bloomage BioTechnology Corporation Ltd.	963	Consumer Goods	Mainland Enterprise	5,948
2017	China Assets (Holdings) Limited	170	Financials	Mainland Enterprise	725
2017	TCC International Holdings Limited	1136	Properties & Construction	Others	17,895
2017	Qunxing Paper Holdings Company Limited	3868	Materials	Mainland Enterprise	3,201
2018	Glencore plc	805	Materials	Others	553,084
2018	Welling Holding Ltd.	382	Industrials	Mainland Enterprise	5,871
2018	Tapestry, Inc.	6388	Consumer Goods	Others	9,190
2018	China National Materials Co. Ltd.	1893	Industrials	Mainland Enterprise	8,568
2018	KAZ Minerals PLC	847	Materials	Others	38,458
2018	Portico International Holdings Ltd.	589	Consumer Goods	Others	2,262
2018	Trony Solar Holdings Co. Ltd.	2468	Industrials	Mainland Enterprise	998
2018	Bel Global Resources Holdings Ltd.	761	Energy	Others	519

Year	Name of delisted enterprises	Stock Code	Industry Sector	Background	Market capitalisation before delisting (in million dollars)
2018	Han Tang International Holdings Ltd.	1187	Industrials	Others	413
2018	Hong Kong Aircraft Engineering Company Limited	44	Consumer Services	Others	11,909
2018	Anxin-China Holdings Ltd.	1149	Information Technology	Mainland Enterprise	1,178
2019	Sinotrans Shipping Limited	368	Industrials	Mainland Enterprise	10,739
2019	Advanced Semiconductor Manufacturing Corporation Limited	3355	Information Technology	Mainland Enterprise	2,286
2019	China Fiber Optic Network System Group Limited	3777	Information Technology	Mainland Enterprise	1,501
2019	China Taifeng Beddings Holdings Limited	873	Consumer Goods	Mainland Enterprise	1,080
2019	Zhongda International Holdings Limited	909	Consumer Goods	Mainland Enterprise	462
2019	Cloud Investment Holdings Limited	8129	Financials	Others	59
2019	Hopewell Holdings Limited	54	Conglomerates	Others	33,529
2019	Hanergy Thin Film Power Group Limited	566	Industrials	Others	164,790
2019	Asia Coal Limited	835	Energy	Others	538
2019	Heng Xin China Holdings Limited	8046	Consumer Services	Others	91
2019	China Hengshi Foundation Company Limited	1197	Industrials	Mainland Enterprise	2,480
2019	Rui Feng Group Holdings Company Limited	8312	Consumer Goods	Others	170
2019	China Nonferrous Metals Company Limited	8306	Materials	Mainland Enterprise	352
2019	China Power Clean Energy Development Company Limited	735	Utilities	Mainland Enterprise	6,432
2019	Shenji Group Kunming Machine Tool Company Limited	300	Industrials	Mainland Enterprise	351
2019	Zhejiang Prospect Company Limited	8273	Consumer Goods	Mainland Enterprise	27
2019	Asia Satellite Telecommunications Holdings Limited	1135	Tele-communications	Mainland Enterprise	4,045
2019	Pacific Andes International Holdings Limited	1174	Consumer Goods	Others	1,034
2019	Changgang Dunxin Enterprise Company Limited	2229	Materials	Mainland Enterprise	608
2019	C.P. Lotus Corporation	121	Consumer Staples	Others	1,021
2019	China Automation Group Limited	569	Information Technology	Mainland Enterprise	1,530
2019	TPV Technology Limited	903	Information Technology	Mainland Enterprise	9,007
2019	National Agricultural Holdings Limited	1236	Information Technology	Mainland Enterprise	2,527
2019	Fuguiniao Co., Ltd.	1819	Consumer Discretionary	Mainland Enterprise	4,715
2019	Shenzhou Space Park Group Limited	692	Consumer Discretionary	Others	4,414
2019	China Huishan Dairy Holdings Company Limited	6863	Consumer Staples	Mainland Enterprise	5,660

Year	Name of delisted enterprises	Stock Code	Industry Sector	Background	Market capitalisation before delisting (in million dollars)
2019	Yorkshine Holdings limited	1048	Materials	Others	565
2019	Hsin Chong Group Holdings Limited	404	Properties & Construction	Others	1,997
2019	China Candy Holdings Limited	8182	Consumer Staples	Mainland Enterprise	182

Source: Hong Kong Exchanges and Clearing Limited

Note 1: The industry sectors are based on the Hang Seng Industry Classification System. The two sectors of “Consumer Goods” and “Consumer Services” have been reorganised into three new sectors, namely “Consumer Staples”, “Consumer Discretionary” and “Healthcare Industries” with effect from 9 September 2019. Companies delisted since that date are categorised in the above table based on the new Hang Seng Industry Classification System.

Note 2: Mainland Enterprises include the following –

- Mainland private enterprises (i.e. enterprises that are incorporated outside of the Mainland and are controlled by Mainland individuals);
- H-share enterprises (i.e. enterprises that are incorporated in the Mainland which are either controlled by Mainland Government entities or individuals); and
- Red chip enterprises (i.e. enterprises that are incorporated outside of the Mainland and are controlled by Mainland Government entities).

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)022

(Question Serial No. 2618)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please list the amounts of funds raised through initial public offerings (IPO) and post-IPO funds raised in each of the years from 2010 to 2019, broken down by background of the listed companies in Hong Kong (i.e. Hong Kong companies, China-affiliated companies and others).

Asked by: Hon LEUNG Kenneth (LegCo internal reference no.: 110)

Reply:

According to the Hong Kong Exchanges and Clearing Limited, the figures relating to the funds raised through Initial Public Offerings (IPO) and post-IPO by the listed companies in Hong Kong in each of the years from 2010 to 2019 are at **Annex**.

**Amount of funds raised through IPO and post-IPO by listed companies in Hong Kong
from 2010 to 2019**

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Mainland enterprises										
IPO funds raised (billion dollars)	224.4	95.3	81.4	154.3	199.8	242.8	182.9	98.5	274.1	257.3
Post-IPO funds raised (billion dollars)	249.2	130.9	134.2	157.9	500.6	415.3	165.5	268.2	195.3	101.9
Enterprises of other regions (including Hong Kong)										
IPO funds raised (billion dollars)	225.0	164.5	8.6	14.7	32.7	20.3	12.4	30.0	13.9	56.9
Post-IPO funds raised (billion dollars)	160.0	99.7	81.1	52.0	209.6	437.3	129.3	184.7	60.8	38.1
Total										
IPO funds raised (billion dollars)	449.5	259.8	90.0	169.0	232.5	263.1	195.3	128.5	288.0	314.2
Post-IPO funds raised (billion dollars)	409.2	230.6	215.3	209.9	710.2	852.6	294.7	452.9	256.1	140.0

Source: Hong Kong Exchanges and Clearing Limited

Note: The figures on the amount of IPO and post-IPO funds raised do not add up to the total due to rounding.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)023

(Question Serial No. 2621)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

With regard to the policies to promote Hong Kong as a hub for regional headquarters, would the Government provide the following information: What is the number of cases where eligible enterprises have set up corporate treasury centres in Hong Kong and enjoyed tax concessions each year since the amendment to the Inland Revenue Ordinance in June 2016? Whether statistics on the market value of the parent companies of the enterprises concerned, their business nature, number of staff hired in Hong Kong and their contribution to the economy of Hong Kong are available? If yes, what are the details? If no, what are the reasons?

Asked by: Hon LEUNG Kenneth (LegCo internal reference no.: 121)

Reply:

To attract foreign corporates to centralise their treasury functions in Hong Kong, the Government amended the Inland Revenue Ordinance in June 2016 to reduce the profits tax rate by 50% for qualifying corporate treasury centres, and to enable the deduction of interest payable on money borrowed by a corporation carrying on in Hong Kong an intra-group financing business under specified conditions. Since the amendment of the Ordinance, nearly 300 cases have benefitted from the tax concessions. The relevant corporates are engaged in diversified trades and businesses.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)024

(Question Serial No. 2622)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Since the launch of the Green Bond Grant Scheme in June 2018, what has been the number of applications received under the Scheme each year? What are the respective numbers of applications approved and rejected? If there are applications approved, what is the amount of grant? If there are applications rejected, what are the reasons? What is the average time for vetting and approval?

Asked by: Hon LEUNG Kenneth (LegCo internal reference no.: 122)

Reply:

The Green Bond Grant Scheme was launched in June 2018. By end-February 2020, a total of 22 applications have been received, of which 1 is being processed and the remaining applications have been approved. The total amount of grant is \$2,917,557 and the average time for vetting and approval is about 27 days.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)025****(Question Serial No. 2623)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

During his 2018-19 Budget Speech, the Financial Secretary announced that the Government would set aside a dedicated provision of \$500 million for the development of the financial services industry in the coming 5 years, providing necessary support for bond market development, Fintech, green finance, manpower training and other aspects of financial services.

Would the Government provide a breakdown of how this provision has been allocated to provide the support for the relevant initiatives in the past 2 financial years? What are the estimated resources required, including expenditure and manpower involved in the promotion of the relevant policies, provision of support measures, regulation, and development of talents on this front?

Asked by: Hon LEUNG Kenneth (LegCo internal reference no.: 123)

Reply:

The items set out below are supported by the dedicated "Funding for promoting and facilitating the development of financial services sector" with a total commitment at \$500 million. The 2018-19 actual expenditure, 2019-20 revised estimate and 2020-21 estimate of the respective items are as follows -

Items	2018-19 Actual Expenditure (\$'000)	2019-20 Revised Estimate (\$'000)	2020-21 Estimate (\$'000)
Bond Market Development (e.g. the three-year Pilot Bond Grant Scheme launched in May 2018)	22,500	100,000	120,000

Items	2018-19 Actual Expenditure (\$'000)	2019-20 Revised Estimate (\$'000)	2020-21 Estimate (\$'000)
Financial Technologies (“Fintech”) (e.g. support for InvestHK’s Fintech team, Fintech promotion activities, and Fintech training for in-service financial practitioners)	3,704*	27,150	27,150
Green Finance (e.g. the Green Bond Grant Scheme launched in June 2018)	525	3,000	3,000
Promotion of Hong Kong’s Financial Services Industry (e.g. the annual Asian Financial Forum, and other promotional materials and activities)	4,045	7,943	10,139
Total	30,774	138,093	160,289

*The expenditure of the InvestHK’s Fintech team in 2018-19 was partly funded by another Subhead.

The work on administering the above items are met by existing financial and manpower resources of the Financial Services Branch. We do not have a separate breakdown.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)026

(Question Serial No. 2625)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is stated in Matters Requiring Special Attention in 2020-21 that the Government will continue to advance financial co-operation with the Mainland, including promoting Hong Kong's efforts in implementing initiatives in relation to the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Greater Bay Area development in respect of the financial services sector. In this connection, would the Government inform this Committee of the following?

1. What are the specific work plans and the expenditure involved?
2. Are there any specific indicators for performance evaluation regarding this item? If yes, what are the details? If no, what are the reasons?
3. Is there any progress for this item in the past 5 years? If yes, what are the details? If no, what are the reasons?

Asked by: Hon LEUNG Kenneth (LegCo internal reference no.: 126)

Reply:

The Government attaches great importance to the immense opportunities brought by the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) development. Hong Kong will continue to strengthen financial cooperation with the Mainland and our bridging role between the Mainland and the rest of the world, and contribute to the following in relation to financial services:

- (1) Offshore Renminbi (RMB) business: With a view to enhancing Hong Kong's status as the global offshore RMB business hub, we will continue to explore with the industry and the Mainland authorities on the expansion of the channels for two-way flow of cross-boundary RMB funds, as well as the enhancement and expansion of the mutual access schemes between the financial markets in the two places. We will also leverage

the opportunities and the “early and pilot implementation” advantages arising from the Greater Bay Area development, and continue to study and promote policy measures that further facilitate the cross-boundary flow of RMB in the Greater Bay Area. These include expanding the pilot scheme for Hong Kong residents to remotely open bank accounts in the Greater Bay Area and implementing the two-way wealth management connect scheme to meet the cross-boundary financial service needs of residents and corporates in the two places;

- (2) Infrastructure project financing: The Hong Kong Monetary Authority’s (HKMA) Infrastructure Financing Facilitation Office (IFFO) aims to facilitate the investment and financing of sustainable infrastructure and green development, by working with a cluster of key stakeholders who are invited as partners. In May 2019, HKMA announced the establishment of the Centre for Green Finance under IFFO to promote both Hong Kong as the hub for green finance in Asia and the importance of sustainability for infrastructure investment and financing. So far, 95 organisations from the Mainland, Hong Kong and overseas have joined IFFO as partners;
- (3) Asset and wealth management: We are taking forward the legislative work for the introduction of a limited partnership regime for funds with a view to attracting private equity funds to register and operate in Hong Kong. This measure is expected to be beneficial to the financing and investment of private equity funds in Hong Kong and the Mainland;
- (4) Risk management: We introduced an amendment bill into the Legislative Council in December 2019 to provide tax incentive to promote the development of marine insurance and underwriting of specialty risks. We also published in the Gazette in March 2020 another amendment bill to facilitate the issuance of insurance-linked securities in Hong Kong and expand the scope of insurable risks by captive insurers set up in Hong Kong. Furthermore, there is consensus with the Mainland authorities to allow a lower capital requirement for the Mainland insurer when it cedes business to a qualified Hong Kong professional reinsurer. The Insurance Authority has also launched the Belt and Road Insurance Exchange Facilitation platform, which brings together a cluster of key stakeholders and provides a platform for exchanging intelligence on risk management and insurance, facilitating networking and looking for solutions. All these measures will enhance the competitiveness of Hong Kong insurance industry to develop its risk management businesses to meet the emerging needs arising from the Belt and Road Initiative and the Greater Bay Area development;
- (5) Listing: The Securities and Futures Commission issued a statement in April 2017 to explain its approach to the proposed listing of infrastructure project companies, such as those falling within the Belt and Road Initiative, in Hong Kong. In particular, the statement sets out the factors that it will take into account when reviewing the proposed listing of infrastructure project companies in Hong Kong, so as to provide a pathway for infrastructure project companies to achieve a listing in Hong Kong; and
- (6) Corporate Treasury Centres (CTCs): To attract foreign corporates to centralise their treasury functions in Hong Kong, the Government amended the Inland Revenue Ordinance in June 2016 to reduce the profits tax rate by 50% for qualifying CTCs, and to enable the deduction of interest payable on money borrowed by a corporation

carrying on in Hong Kong an intra-group financing business under specified conditions. Since the amendment of the Ordinance, nearly 300 cases have benefitted from the tax concessions.

The “Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area” (Outline Development Plan) confirms and supports Hong Kong’s status as an international financial centre, a global offshore RMB business hub, an international asset and risk management centre, and a platform for investment and financing serving the Belt and Road Initiative. Following the third meeting of the Leading Group for the Development of the Greater Bay Area, the Central Government introduced six policy measures in relation to the financial services sector, including supporting the use of mobile electronic payment by Hong Kong residents on the Mainland; pilot scheme for Hong Kong residents to open Mainland personal bank accounts in the Greater Bay Area remotely by attestation; exploring the establishment of a cross-boundary wealth management connect scheme; preferential treatment on insurance regulation; removing the requirement on years of operating experience for Hong Kong service suppliers to provide insurance loss adjusting services on the Mainland; and supporting Mainland insurers to issue catastrophe bonds in Hong Kong and Macao.

We will continue to liaise closely with the relevant Mainland authorities to follow up on the implementation of the above measures. Among others, HKMA has maintained close communication with the Mainland authorities on the design of the wealth management connect scheme, with a view to launching the scheme as early as possible. Drawing on the successful experience of existing mutual market access schemes in devising the relevant management requirements, the scheme aims to enable residents of Hong Kong and Mainland cities in the Greater Bay Area to invest in wealth management products in each other’s market, on the premise of ensuring proper management of risks and protection of investors.

The above work is being pursued jointly by the Government and relevant financial regulators. The related expenses will be absorbed from within existing resources in the Financial Services Branch. We do not have a separate breakdown.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)027

(Question Serial No. 2626)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is stated in Matters Requiring Special Attention in 2020-21 that the Branch will continue to advance financial co-operation with the Mainland and continue to promote the development of the asset and wealth management industry, which includes providing profits tax exemption to funds operating in Hong Kong. Will the Government inform this Committee of the specific work plans and expenditure involved?

Asked by: Hon LEUNG Kenneth (LegCo internal reference no.: 127)

Reply:

The Government attaches great importance to the immense opportunities brought by the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) development. Hong Kong will continue to strengthen financial cooperation with the Mainland and our bridging role between the Mainland and the rest of the world, and step up our promotion work in relation to various aspects of financial services, including offshore Renminbi business, infrastructure project financing, listing, asset and wealth management, risk management and corporate treasury centres.

Following the third meeting of the Leading Group for the Development of the Greater Bay Area, the Central Government introduced six policy measures in relation to the financial services sector, including supporting the use of mobile electronic payment by Hong Kong residents on the Mainland; pilot scheme for Hong Kong residents to open Mainland personal bank accounts in the Greater Bay Area remotely by attestation; exploring the establishment of a cross-boundary wealth management connect scheme; preferential treatment on insurance regulation; removing the requirement on years of operating experience for Hong Kong service suppliers to provide insurance loss adjusting services on the Mainland; and supporting Mainland insurers to issue catastrophe bonds in Hong Kong and Macao.

We will continue to liaise closely with the relevant Mainland authorities to follow up on the implementation of the measures. Among others, HKMA has maintained close communication with the Mainland authorities on the design of the wealth management connect scheme, with a view to launching the scheme as early as possible. Drawing on the successful experience of existing mutual market access schemes in devising the relevant management requirements, the scheme aims to enable residents of Hong Kong and Mainland cities in the Greater Bay Area to invest in wealth management products in each other's market, on the premise of ensuring proper management of risks and protection of investors.

In addition, the "Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area" supports the strengthening of Hong Kong's role as an international asset management centre. It also supports the participation of Hong Kong's institutional investors in the investment of domestic private equity funds and venture capital funds; and the engagement of Hong Kong's private equity funds in the financing of innovation and technology enterprises in the Greater Bay Area. We are taking forward the legislative work for the introduction of a limited partnership regime for funds with a view to attracting private equity funds to register and operate in Hong Kong. This measure is expected to be beneficial to the financing and investment of private equity funds in Hong Kong and the Mainland.

The above work is being pursued jointly by the Government and relevant financial regulators. The related expenses will be absorbed from within existing resources in the Financial Services Branch. We do not have a separate breakdown.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)028

(Question Serial No. 2627)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is stated in Matters Requiring Special Attention in 2020-21 that the Government will continue to promote the development of the bond market. In this connection, will the Government inform this Committee:

1. of the specific work plans and the expenditure involved;
2. whether there are any specific indicators for performance evaluation regarding this work; if yes, of the details; if not, the reasons for that; and
3. whether there has been any progress for this work in the recent 5 years; if yes, of the details; if not, the reasons for that?

Asked by: Hon LEUNG Kenneth (LegCo internal reference no.: 128)

Reply:

In recent years, the Government has adopted a multi-pronged strategy to promote the development of the bond market. This includes the regular issuance of government bonds and the implementation of various supporting measures. In 2020-21, the Government will issue institutional bonds and no less than HK\$13 billion of inflation-linked retail bonds and silver bonds under the Government Bond Programme. We also plan to issue a total of HK\$66 billion government green bonds under the Government Green Bond Programme in the five years from 2020-21 to promote the development of green finance. Moreover, the Government and the regulatory authorities will continue to promote the strengths of our bond market with a view to attracting overseas enterprises to issue bonds in Hong Kong.

Driven by the relevant policy and support measures, the bond market in Hong Kong has grown steadily. The total bond issuance volume in Hong Kong increased from US\$345 billion in 2015 to US\$562 billion in 2019, ranking third in Asia (excluding Japan). The total amount of outstanding Hong Kong dollar debt securities reached HK\$2,165.9

billion at the end of 2019, tripling that before the launch of the Government Bond Programme in 2009.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)029

(Question Serial No. 2628)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is stated under Matters Requiring Special Attention in 2020-21 that the Government will continue to promote the development of financial technologies in Hong Kong. In this connection, will the Government inform this Committee of:

1. the specific work plans and the expenditure involved?
2. whether there are specific indicators for performance evaluation? If yes, what are the details? If no, what are the reasons?
3. whether there was any progress in this area of work in the past 5 years? If yes, what are the details? If no, what are the reasons?

Asked by: Hon LEUNG Kenneth (LegCo internal reference no.: 129)

Reply:

1. The Government has been adopting a multi-pronged approach in facilitating the development of Financial Technologies (Fintech) in Hong Kong, namely promotion, facilitation, regulation, funding and talent. Apart from pressing ahead with on-going measures, the Government has announced in the 2019 Policy Address two new initiatives, namely to collaborate with Cyberport to strengthen Fintech training for in-service financial practitioners and to set up an in-town Fintech event space for various Fintech stakeholders to host events and exchange ideas and to drive Fintech demand and business opportunities.

Fintech-related work in the Financial Services and the Treasury Bureau (FSTB) is absorbed within the FSTB's existing resources. The FSTB also provided around \$27 million in 2019-20 to support Invest Hong Kong's dedicated Fintech team, and will continue to do so in 2020-21.

2 and 3. Working in concert with the financial regulators and industry players, the Government has been promoting and facilitating the development of Fintech so as to enhance the overall competitiveness of Hong Kong's financial services industry and consolidate Hong Kong's status as the leading international financial centre. While there are no universal performance indicators applicable to the development of Fintech, we continue to monitor the progress and achievements of Fintech in various fronts. Major achievements include the following –

- (a) There are currently some 600 Fintech companies and startups operating in Hong Kong, spreading over Cyberport, Hong Kong Science and Technology Park and other co-working and office spaces. Fintech companies based in Hong Kong raised over US\$1.1 billion in 2014-2018, compared favorably with those based in Singapore (US\$690 million);
- (b) According to the “EY Global Fintech Adoption Index 2019” report, Hong Kong's consumer Fintech adoption rate has leaped from 32% in 2017 to 67% in 2019, higher than the average global consumer Fintech adoption rate of 64%;
- (c) The Hong Kong Monetary Authority has granted the first batch of 8 virtual bank licences to promote financial innovation, enhance customer experience and foster financial inclusion. Some of the licensees have soft-launched their services or will commence services shortly;
- (d) The banking industry is implementing the Open Application Programme Interface (Open API) framework in phases, and the first two phases have already been launched, providing over 500 and 300 Open APIs respectively, and facilitating third-party technology companies to develop more Fintech-enabled solutions;
- (e) The Insurance Authority has granted two authorisations to the first life and non-life virtual insurers owning and operating solely through digital distribution channels without the involvement of intermediaries in 2018 and 2019 respectively under the Fast Track;
- (f) In November 2019, the Securities and Futures Commission (SFC) announced a new regulatory framework for virtual asset trading platforms. Platforms which operate in Hong Kong and offer trading of at least one security token may now apply to be licensed by the SFC;
- (g) As at end of February 2020, the Faster Payment System (FPS) registrations increased to 4.4 million and the average daily transactions in February rose to HK\$2.5 billion. From November 2019 onwards, the Government accepts payments of taxes, rates and Government rent, and water charges through the FPS. As at end of February 2020, over 367 000 government bill payments in the amount of \$503 million have been made through the FPS; and

- (h) InvestHK continued to organise and support a series of Fintech events to showcase Hong Kong as a leading Fintech hub, including the annual flagship Hong Kong Fintech Week (HKFTW). The HKFTW 2019 was successfully held in November last year, attracting some 12 000 participants, around 50% increase over 2018.

- End -

CONTROLLING OFFICER'S REPLY

(Question Serial No. 2630)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (2) Subvention: Financial Services Development Council

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is mentioned under Matters Requiring Special Attention in 2020-21 that the industry will be engaged and strategic advice will be provided for the further development of Hong Kong as an international financial centre. Regarding the provision of “strategic advice”, will the Government inform this Committee of:

1. the work plan and the expenditure involved?
2. whether there are specific indicators for performance evaluation? If yes, what are the details? If no, what are the reasons?
3. whether there was any progress in this area of the work in the past 5 years? If yes, what are the details? If no, what are the reasons?

Asked by: Hon LEUNG Kenneth (LegCo internal reference no.: 130)

Reply:

One of the objectives of the Financial Services Development Council (FSDC) is to advise the Government on strategies and measures to expand the scope of Hong Kong's financial markets and enhance the competitiveness of Hong Kong as an international financial centre. Since its inception in 2013, the FSDC has published 40 research reports on the strategic development of the financial services industry of Hong Kong. The Government has been positively following up on the recommendations made by the FSDC as appropriate, and many of the recommendations have already been implemented. For example, profits tax exemption for funds has been extended to all privately offered funds and the open-ended fund company regime has come into operation. The Government is introducing a limited partnership regime for private equity funds, and has issued its first batch of green bond. Details of the progress of implementation of the FSDC's recommendations have been provided in FSDC's annual reports available on its website. The Government will continue to suitably follow up on the recommendations of the FSDC's reports.

In 2020-21, the FSDC will continue to conduct studies on measures to consolidate and enhance Hong Kong's role as an international financial centre, in particular those related to private wealth management, family office, "environmental, social and governance", financial technology, connections with the Mainland and international financial markets, etc. The FSDC plans to issue 6 to 8 reports / papers in 2020-21. The estimated expenditure on research work is \$2.1 million.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)031****(Question Serial No. 2915)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (000) Operational expenses

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The estimated financial provision for 2020-21 is \$1.1334 billion, which is 53.6% higher than the revised estimate for 2019-20. This is mainly due to the increased cash flow requirement for non-recurrent commitment items, and anticipated increase in hire of services and general departmental expenses.

In this connection, please inform this Committee of:

- (1) the details of the non-recurrent commitment items;
- (2) the types and details of the anticipated hire of services and professional services and how their effectiveness will be measured.

Asked by: Hon LIAO Cheung-kong, Martin (LegCo internal reference no.: 36)

Reply:

- (1) The cash flow requirement of the general non-recurrent items for 2020-21 estimate will increase by about \$340.9 million as compared with the 2019-20 revised estimate, as set out below –

	General Non-recurrent Item	Commitment (\$'000)	Changes in cash-flow requirement (\$'000)
1	Funding for promoting and facilitating the development of the financial services sector	500,000	+22,196
2	Funding requirements for the eMPF Platform for the administration of Mandatory Provident Fund registered schemes	3,903,630	+414,788

	General Non-recurrent Item	Commitment (\$'000)	Changes in cash-flow requirement (\$'000)
3	One-off funding for promoting and facilitating the development of the insurance industry in Hong Kong (New item created in 2020-21 estimates)	300,000	+300,000
4	Pilot programme to enhance talent training for the insurance sector and the asset and wealth management sector	100,000	+3,902
5	One-off provision of seed capital to the Financial Reporting Council in 2019-20	400,000	-400,000
	Total	5,203,630	+340,886

- (2) The estimated expenditure on hire of services and professional fees in 2020-21 will increase by about \$37 million as compared with the 2019-20 revised estimate. This is mainly due to the expenses on strengthening our publicity and promotion of Hong Kong's financial services industry both globally and in the Mainland.

In the coming year, apart from continuing our work on promoting the financial services industry on various fronts, we would enhance publicity support for the "Asian Financial Forum", "Hong Kong FinTech Week", and other relevant signature events, including inviting international speakers of repute to these events. The Financial Services Branch (or through supporting the work of the Financial Services Development Council) would also promote Hong Kong's competitiveness as a major international financial centre through media events, seminars, or events in partnership with industry associations and reputable organisations. We will consider hiring of international public relations or marketing consultants for research and strategic counsels in order to strengthen our advertising and marketing efforts globally and in the Mainland.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)032

(Question Serial No. 1344)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The Financial Services and the Treasury Bureau is responsible for promoting the development of financial technologies in Hong Kong. With the launch of the Faster Payment System (FPS) by the Hong Kong Monetary Authority in 2018, the Government has been accepting payments of taxes, rates and Government rent, and water charges through the FPS since 1 November 2019. In this connection, please advise on the following:

1. Has the Government considered promoting the use of the FPS in other scenarios? If yes, what are the details? If no, what are the reasons?
2. In 2019, the Mainland announced successively 24 key policy measures to benefit people from all walks of life, offering greater convenience to Hong Kong people developing their careers, working and living in the Greater Bay Area (GBA). Has the Government discussed promptly with cities in the GBA co-operation in launching a faster payment system suitable for use in the GBA, so as to offer greater convenience to Hong Kong people developing their careers, working and living in the GBA? If yes, what are the details? If no, what are the reasons?

Asked by: Hon LO Wai-kwok (LegCo internal reference no.: 42)

Reply:

The Faster Payment System (FPS) has seen significant adoption since its launch in September 2018. The FPS supports instant payments in both the Hong Kong dollar and Renminbi on a round-the-clock basis. Both banks and stored-value facilities (SVFs) may participate in the system. The public can easily transfer funds across different banks or e-wallets by entering the mobile number or email address of the recipient. In order to promote wider adoption of the FPS and provide the public with greater convenience, from November 2019 onwards, the Government accepts payments of taxes, rates and Government rent, and water charges through the FPS. As at end of February 2020, over 367 000 government bill payments in the amount of \$503 million have been made through the FPS.

The Government is also planning to accept payments through the FPS at the shroff counters of the Companies Registry, the Immigration Department, the Official Receiver's Office and the Transport Department.

Regarding cross-border payment service, some Hong Kong e-wallet operators have extended the use of their Hong Kong e-wallets for making payments in the Mainland. In addition, the top-up or transfer to e-wallets through the FPS has become more convenient and efficient which complements the use of Hong Kong e-wallets in the Greater Bay Area. The Hong Kong Monetary Authority would continue to explore with the industry on other use cases including cross-boundary usage.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)033

(Question Serial No. 0833)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

On matters related to facilitating the "Employee Choice Arrangement" (ECA) of the Mandatory Provident Fund (MPF) schemes, please inform this Committee of the following:

- a. the number of employees joining the ECA (Semi-portability) every year since its implementation and the percentage of these employees in the total number of employees under the MPF schemes;
- b. whether the Government has, in conjunction with the Mandatory Provident Fund Schemes Authority (MPFA) or other related authorities, regularly reviewed the effectiveness of the above arrangement; if yes, of the details of the latest review;
- c. for more effective facilitation of the "Full-portability" of MPF in the future, preparatory work is concurrently being undertaken by the Government to set up an "eMPF Platform" for MPF, abolish the MPF offsetting mechanism, etc.; please advise this Committee of the current progress of such preparatory work, including the tendering exercise for the eMPF Platform, the amount of funds involved, and the preparations being made for the legislative amendments for abolishing the MPF offsetting mechanism; and;
- d. the expenditure and manpower involved in the work related to facilitating the "portability" of MPF.

Asked by: Hon MAK Mei-kuen, Alice (LegCo internal reference no.: 28)

Reply:

- a. Since the implementation of the ECA on 1 November 2012, the numbers of successful transfer of MPF benefits each year expressed in actual figures and as percentages of the average numbers of employee contribution accounts are as follows:

Year	Number of transfers completed	As a percentage of average number of employee contribution accounts in the year
2012 (Since 1 November)	20 000	0.6%
2013	63 000	1.9%
2014	64 000	1.9%
2015	77 000	2.2%
2016	72 000	2.0%
2017	87 000	2.4%
2018	92 000	2.4%
2019	88 000	2.2%

- b. Since the implementation of the ECA, the MPFA has been ensuring the smooth operation of the ECA through supervision of MPF trustees.

The ECA can foster market competition and increase the pressure on trustees for fee reduction. Since the implementation of the ECA, MPF trustees have launched a number of low fee funds, i.e. funds with a fund expense ratio (FER) not more than 1.3% or management fee not more than 1%. At present, there are 224 low fee funds in the MPF market, accounting for more than 51% of the total number of funds. With the implementation of the ECA and other reform measures, 241 funds in the market have reduced their fees (accounting for about 55% of the total number of funds), with a maximum reduction rate of 57.14%. The average FER has also been reduced from 1.75% in December 2012 to 1.46% (as of January 2020).

- c. & d. The Government and the MPFA are preparing for the setting up of the eMPF Platform to facilitate standardisation, streamlining and automation of MPF scheme administration processes. In the long run, scheme members can transfer their MPF benefits between schemes and funds on the eMPF Platform. The MPFA issued the Request for Proposal for the eMPF Platform in December 2019, with a view to awarding the tender in the second half of 2020. Subject to the result of the tendering exercise, it remains our target to have the eMPF Platform ready by 2022 at the earliest and the on-boarding to the eMPF Platform by all trustees by phases within the subsequent two to three years.

As regards the expenditure of the eMPF Platform, a non-recurrent funding of \$3,367.15 million was approved by the Legislative Council (LegCo) in May 2019 for developing the eMPF Platform. We also solicited the support of the LegCo Panel on Financial Affairs on additional funding requirements of \$536.48 million for the first two years of set-up and operation (i.e. 2020-21 and 2021-22) of the eMPF Platform entity (or by the MPFA before its wholly owned subsidiary is set up) as well as additional IT costs. In addition, the Government plans to provide additional seed money to bridge the funding gap of the eMPF Platform entity before it achieves breakeven in administering the new platform. The additional

resources will be sought in accordance with the established mechanism in due course.

On the other hand, regarding the abolition of the arrangement of “offsetting” severance payment and long service payment with the accrued benefits of employers’ mandatory contributions under the MPF System, the Labour and Welfare Bureau and the Labour Department will continue to work in full steam in collaboration with other relevant policy bureaux and departments on the preparatory work for abolishing the “offsetting” arrangement, including mapping out the operational details of the supporting measures and embarking on the drafting of the enabling bill, etc. The Government will strive to introduce the enabling bill into LegCo by the end of 2020 with a view to securing its passage by 2022 and implementing the abolition of the “offsetting” arrangement two years after the passage of the enabling bill and in tandem with the full implementation of the eMPF Platform of the MPF System.

The above two initiatives will facilitate the realization of “full portability”. The Government and the MPFA will continue to ensure that the MPF System will keep pace with the times, thereby maximising protection to scheme members and giving full play to its function of retirement savings.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)034

(Question Serial No. 0835)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding retirement investment vehicles, would the Government inform this Committee of the following:

- a. The Mandatory Provident Fund (MPF) is one of the retirement protection pillars in Hong Kong. However, the returns of MPF funds were affected by varying degrees in the past financial year due to impact of various social events, such as the epidemic, social movements and the US-China trade war, etc. In this regard, has the Government recently assessed the performance of MPF funds (including their returns and fees)? If yes, what are the details and the gain and loss positions per capita? If no, what are the reasons?
- b. As it is rather likely that we will be facing economic downside risks for some time, the returns of relevant retirement investment products will be very limited. Will the Government introduce enhancements to the retirement investment products currently available on the market by, for example, taking the lead in establishing a central trustee for MPF funds of low risks and stable returns such that more retirement investment product options are available to the working population? If yes, what are the details? If no, what are the reasons?
- c. What are the expenditures and establishment involved in overseeing the implementation of retirement investment products?

Asked by: Hon MAK Mei-kuen, Alice (LegCo internal reference no.: 30)

Reply:

- a. The Mandatory Provident Fund Schemes Authority (MPFA) assesses the performance of MPF funds from time to time and released a report titled Investment Performance of the MPF System in 2019 on 25 February 2020. Looking back at 2019, the global economy continued to be affected by the uncertainties centred around the China-US trade tensions as well as sluggish growth in the Eurozone. Nevertheless, despite all the uncertainties,

the MPF System registered a return of 12.2% net of fees and charges in 2019. As at December 2019, the MPF System generated an annualized return of 4.1% since its inception in December 2000. The MPFA does not have details of the gain and loss positions per capita.

The Government and the MPFA have all along strived to lower the fees of MPF funds. As at January 2020, the Fund Expense Ratio has decreased from 2.10% in December 2007 to 1.46%, representing a decrease of around 30%.

MPF is a long-term investment which spans across 30 – 40 years. During the period, the investment performance of the MPF System will be subject to different degrees of market fluctuations. The MPFA will continue to monitor the impact of the coronavirus outbreak on the investment performance of MPF funds and take timely actions to follow up with MPF trustees when necessary to ensure that scheme members' interests are well protected.

- b. As at end January 2020, 417 MPF funds were available in the market, offering scheme members a wide range of fund choices for returns associated with different risk characteristics. Scheme member could choose an investment portfolio that best suits his/her needs based on his/her personal circumstances, such as age and risk tolerance level. For example, in response to some scheme members' concern that MPF schemes are "expensive and difficult to choose", each MPF scheme now provides a Default Investment Strategy with a statutory fee cap, which provides global diversification of risks and automatic reduction of investment risk according to members' age.

The Government considers that the MPF System should be operated by the market. To increase the cost efficiency of the administrative services of the MPF System, the Government has tasked the MPFA to design, develop and operate the eMPF Platform. It allows the administrative processes of MPF schemes to be centralised and carried out more efficiently to meet the needs of MPF scheme members and employers.

- c. Retirement investment products involve different financial tools. In the Financial Services Branch, 1 Administrative Officer Staff Grade C (supernumerary post), 1 Senior Administrative Officer and 1 Administrative Officer are responsible for policy matters relating to MPF schemes.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)035

(Question Serial No. 0836)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the regulation of financial intermediaries, please inform this Committee of the following:

- a. The number of enforcement actions taken against unscrupulous financial intermediaries each year since 2016, together with the type of follow-up actions taken (such as prosecution, under investigation and conviction, etc.) and the average length of hearings. Please also provide a comparison against the number of enforcement related figures of the previous year.
- b. The number of inspections on compliance with licensing conditions conducted by the Companies Registry each year since 2016, together with the type of follow-up actions taken (such as orders and warning letters issued and any other more stringent actions). Please also provide a comparison against the number of inspection related figures of the previous year.
- c. Further to the above question, please provide the respective number of routine and spot checks regarding inspections on money lenders. In following up money lenders breaching licensing conditions, how many of them are under or are associated with the same company or group? What is the number of repeated contraventions? Please also provide a comparison against the number of enforcement related figures of the previous year.
- d. Please provide the annual expenditure and manpower establishment involved in the regulation of financial intermediaries.

Asked by: Hon MAK Mei-kuen, Alice (LegCo internal reference no.: 31)

Reply:

- (a) The number of complaints suspected to involve unscrupulous intermediaries received by the Police and the number of persons arrested involving unscrupulous intermediaries since 2016 are as follows –

Year	2016	2017	2018	2019
Complaints received	597	144	177	384
Number of persons arrested ^(*)	501	196	158	85

* The figures represent the number of people arrested by the Police during that year, the cases involved are not necessarily related directly to the complaint cases received in the same year

- (b) The Money Lenders Section (MLS) of the Companies Registry (CR) has commenced onsite inspections since 2017 and the number of inspections and follow-up actions conducted are as follows –

Financial Year	2016-17	2017-18	2018-19	2019-20 (up to Jan 2020)
Inspections	266	507	450	420
Rectification orders	38	180	172	176
Warning letters	0	24	8	2

- (c) The inspections conducted by the MLS are mostly regular compliance inspections with a small number of surprise visits. For every rectification order issued, the MLS will arrange follow up inspection again to check if the order has been complied with, and will issue warning letter in case the breach of the licensing conditions has not been rectified. Records show that there are no repeated warning letters issued to the same money lender. The CR does not have the statistics on whether the non-compliant money lenders belong to the same group or are associated companies.
- (d) The regulation of financial intermediaries related to money lenders is a regular duty of the Financial Services and the Treasury Bureau, the CR and the Police. The relevant work is absorbed by the existing resources of the respective Bureau/Departments.

Specifically for the CR, while there is no specific breakdown on resources deployed for regulating financial intermediaries, the overall expenditure of the MLS is as follows –

Financial Year	2016-17	2017-18	2018-19	2019-20 (up to Feb 2020)
Expenditure	\$9,511,572	\$10,275,897	\$16,140,843	\$19,312,138

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)036

(Question Serial No. 0448)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The Financial Secretary (FS) stated in paragraph 183 of the Budget Speech that “[a] team led by Dr Victor FUNG Kwok-king has made recommendations to me, which include using part of the Future Fund to set up the Hong Kong Growth Portfolio for direct investments in projects with a ‘Hong Kong nexus’. I have accepted the recommendations and will start preparing for their implementation”:

1. As the FS “will start preparing for their implementation”, what are the work details? For example, which government department will be assisting the FS in such preparation? What are the staff establishment and the expenditure of the relevant work?
2. What are the investment details of the Hong Kong Growth Portfolio (the Portfolio) recommended by the team? How are projects defined to be with a “Hong Kong nexus”? For example, are such projects restricted to investment projects operating in Hong Kong?
3. What are the implementation timetable and scale of the Portfolio? For example, when will the first investment be made? What are the aggregate investment ceiling of the Portfolio, the investment ceiling of individual projects, and the percentage shares of the Portfolio in the Future Fund and fiscal reserves?
4. What are the details of the governance and risk management of the Portfolio? For example, will there be any risk management committee? What are the details of the risk management stress testing and the engagement of external advisors?

Asked by: Hon TO Kun-sun, James (LegCo internal reference no.: 8)

Reply:

1. The Financial Services and the Treasury Bureau (Financial Services Branch), with the support of the Hong Kong Monetary Authority, will assist the Financial Secretary in pursuing the work for establishing the Hong Kong Growth Portfolio (HKGP),

including establishing a two-tier committee framework for the HKGP with clear delineation of duties. Relevant work will be absorbed by the Bureau's existing resources and manpower. We do not have a separate breakdown.

2. A project could be regarded as having a Hong Kong nexus if it would be undertaken by a Hong Kong-based company, or would take place in Hong Kong, or both, but merits and relevance of individual projects will also be considered.
- 3&4. The Government plans to make an initial allocation of 10% from the Future Fund (i.e. about \$22 billion), to be allocated on a gradually funded basis from the Investment Portfolio of the Exchange Fund to the HKGP to make strategic investments in projects with a Hong Kong nexus. The Government will establish a two-tier committee framework for the HKGP, including a Governance Committee for setting the basic parameters of the HKGP and providing strategic steer, as well as an Investment Committee for deciding on the appointment of general partners, who will be responsible for sourcing projects and making investments for the HKGP. The basic parameters of the HKGP, including matters related to its investment guidelines and scope, risk management, etc. will be further decided by the Governance Committee to be set up.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)037

(Question Serial No. 2441)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

With a significant increase in this year's government expenditure and fiscal deficit forecasts for the next few years, the Financial Secretary (FS) stated in his Budget Speech that Hong Kong needed "to maintain the growth and vibrancy of our economy and identify new areas of economic growth". In 2018 however, the FS also made a rather similar remark about "proactively promoting economic development ... identifying growth opportunities" in his Budget Speech. Has there been any progress so far on the Government's efforts to identify new areas of economic growth? Are there any shrewd approaches to helping Hong Kong scale new economic heights?

Asked by: Hon TSE Wai-chun, Paul (LegCo internal reference no.: 12)

Reply:

Insofar as the work of the Financial Services Branch is concerned, we have been striving for enhancing Hong Kong's status as a major international financial centre through implementing new initiatives on financial infrastructure and facilitating market innovation in order to enhance Hong Kong's competitiveness. On identifying new areas of economic growth, we will implement the following major new initiatives in the coming year –

Asset and Wealth Management

Hong Kong is an international asset and wealth management centre. To attract more funds to Hong Kong, we have been making efforts to introduce new fund structures, including the preparation of new legislation on the establishment of a limited partnership regime that meets the operational needs of funds, so as to encourage the setting up of private equity funds in Hong Kong. Furthermore, we plan to provide tax concession for carried interest issued by private equity funds operating in Hong Kong subject to the fulfilment of certain conditions, with a view to attracting more private equity funds to domicile and operate in Hong Kong. We will consult the industry on the proposal, and the relevant arrangement

will be applicable starting from 2020/21 year of assessment upon completion of the legislative exercise. This can create new business opportunities for the asset and wealth management sector and generate demand for related professional services including legal, accounting and fund administration services. This would help consolidate Hong Kong's status as an international asset and wealth management centre.

Broadening and Deepening the Securities Market

We strive to develop Hong Kong into a deeper and broader fundraising platform. To further enhance the attractiveness of Hong Kong as an Exchange Traded Fund (ETF) listing platform, we will expand the scope of the existing waiver of stamp duty on stock transfers relating to ETFs to cover the stamp duty on stock transfers paid by ETF market makers in the course of creating and redeeming ETF units listed in Hong Kong. This will provide incentives for ETF issuers to launch ETFs tracking Hong Kong stocks in Hong Kong, and hence drive the depth and liquidity of our market. We plan to table the relevant subsidiary legislation before the Legislative Council in the first half of 2020 to give effect to the proposal. Separately, building on the success of the new listing regime implemented since April 2018, the Hong Kong Exchanges and Clearing Limited (HKEX) is conducting a consultation on whether corporate entities should be allowed to possess weighted voting rights. Upon the end of the consultation period on 1 May 2020, HKEX will carefully consider the views collected and decide on the way forward.

Risk Management Centre

We introduced an amendment bill into the Legislative Council in December 2019 to provide tax incentive to promote the development of marine insurance and underwriting of specialty risks. We also published in the Gazette in March 2020 another amendment bill to facilitate the issuance of insurance-linked securities in Hong Kong and expand the scope of insurable risks by captive insurers set up in Hong Kong. Furthermore, there is consensus with the Mainland authorities to allow a lower capital requirement for the Mainland insurer when it cedes business to a qualified Hong Kong professional reinsurer. The Insurance Authority has also launched the Belt and Road Insurance Exchange Facilitation platform, which brings together a cluster of key stakeholders and provides a platform for exchanging intelligence on risk management and insurance, facilitating networking and looking for solutions. All these measures will enhance the competitiveness of Hong Kong insurance industry to develop its risk management businesses, and help the industry to seize opportunities arising from the Belt and Road Initiative and the Greater Bay Area development.

Green Finance

The inaugural green bond of US\$1 billion issued under the Government Green Bond Programme last year was well received by investors worldwide and set an important new benchmark for potential issuers in Hong Kong and the region. To further consolidate and develop Hong Kong's position as a premier green finance hub in the region, we plan to issue a total of \$66 billion green bonds in 5 years from 2020-21, having regard to the market situation.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)038

(Question Serial No. 2463)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

A team led by Dr Victor FUNG Kwok-king has recommended using the Future Fund to set up the Hong Kong Growth Portfolio (Portfolio). What projects with a "Hong Kong nexus" will be included in the Portfolio? What are the estimated amounts of investment and the expected investment returns in respect of each of these projects?

Asked by: Hon TSE Wai-chun, Paul (LegCo internal reference no.: 41)

Reply:

The Government plans to establish a new Hong Kong Growth Portfolio (HKGP), with an initial allocation of 10% from the Future Fund (i.e. about \$22 billion), to make strategic investments in projects with a Hong Kong nexus. The purpose is to enhance returns, while also consolidating Hong Kong's status as a financial, commercial and innovation centre, and raising Hong Kong's productivity and competitiveness in the long run. A project could be regarded as having a Hong Kong nexus if it would be undertaken by a Hong Kong-based company, or would take place in Hong Kong, or both, but merits and relevance of individual projects will also be considered.

The Government will establish a two-tier committee framework for the HKGP, including a Governance Committee for setting the basic parameters of the HKGP and providing strategic steer, as well as an Investment Committee for deciding on the appointment of general partners, who will be responsible for sourcing projects and making investments for the HKGP.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)039****(Question Serial No. 0310)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

In 2020-21, the estimated expenditure for financial services is \$1,133 million, which is \$395.5 million higher than the revised estimated expenditure for 2019-20, representing an increase as high as 53.6%. As indicated by the Government, the increase in the expenditure is mainly due to the increased cash flow requirement for non-recurrent commitment items, and anticipated increase in hire of services and professional fees and general departmental expenses. In this connection, will the Government inform this Committee of the specific details of the increase in non-recurrent expenditure and anticipated increase in hire of services and professional fees and general departmental expenses?

Asked by: Hon WONG Ting-kwong (LegCo internal reference no.: 1)

Reply:

The cash flow requirement of the general non-recurrent items for 2020-21 estimate will increase by about \$340.9 million as compared with the 2019-20 revised estimate, as set out below –

	General Non-recurrent Item	Commitment (\$'000)	Changes in cash-flow requirement (\$'000)
1	Funding for promoting and facilitating the development of the financial services sector	500,000	+22,196
2	Funding requirements for the eMPF Platform for the administration of Mandatory Provident Fund registered schemes	3,903,630	+414,788

	General Non-recurrent Item	Commitment (\$'000)	Changes in cash-flow requirement (\$'000)
3	One-off funding for promoting and facilitating the development of the insurance industry in Hong Kong (New item created in 2020-21 estimates)	300,000	+300,000
4	Pilot programme to enhance talent training for the insurance sector and the asset and wealth management sector	100,000	+3,902
5	One-off provision of seed capital to the Financial Reporting Council in 2019-20	400,000	-400,000
	Total	5,203,630	+340,886

The estimated expenditure on hire of services and professional fees and general departmental expenses in 2020-21 will increase by about \$42 million as compared with the 2019-20 revised estimate. This is mainly due to the expenses on strengthening our promotion both globally and in the Mainland of Hong Kong's financial services industry and our competitiveness as a major international financial centre.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)040

(Question Serial No. 0311)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Since the second half of 2019, Hong Kong has seen large-scale and continuous social unrest. And starting from the beginning of this year, Hong Kong and the rest of the world have been facing the novel coronavirus epidemic. Our economy is therefore severely hit. In this connection, would the Government inform this Committee of the measures and policies to be taken to handle the situation and the specific expenditure of such measures and policies?

Asked by: Hon WONG Ting-kwong (LegCo internal reference no.: 2)

Reply:

As far as the financial services sector is concerned, the Financial Services Branch has been working closely with financial regulators to strive to maintain the stability of the financial system in Hong Kong. With the evolving situation of the novel coronavirus, as well as other uncertainties in the global and local environments, the global and Hong Kong's financial markets have become more volatile, the local economy has also worsened. Nevertheless, our financial system has remained resilient, different facets continued to function orderly and the Linked Exchange Rate System has also been operating smoothly. Stress tests conducted by financial regulators indicate that even in extremely adverse situations, banks, intermediaries in the securities sector and insurers will still be able to meet the relevant regulatory requirements. We would continue to work with financial regulators and closely monitor the financial market situation, with a view to ensuring the orderly functioning of our financial markets.

In the meantime, we have been promoting and facilitating different areas of the financial market, including the capital markets, asset and wealth management, banking and insurance industries, with the aim to sharpening the competitive edge of our financial services. We will continue to capitalise on the opportunities brought about by the Belt and Road Initiative

and the development of the Guangdong-Hong Kong-Macao Greater Bay Area, so as to consolidate Hong Kong's position as an international financial centre.

The Financial Services Branch will continue to make good use of its existing manpower in pressing ahead with the above on-going work. As regards other expenditure, we would, in the coming year, enhance publicity support for the "Asian Financial Forum", "Hong Kong FinTech Week", and other relevant signature events, including inviting international speakers of repute to these events. The Financial Services Branch (or through supporting the work of the Financial Services Development Council) would also promote Hong Kong's competitiveness as a major international financial centre through media events, seminars, or events in partnership with industry associations and reputable organisations. We will consider hiring of international public relations or marketing consultants for research and strategic counsels in order to strengthen our advertising and marketing efforts globally and in the Mainland. The estimated expenditure in 2020-21 on the foregoing is around \$35 million.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)041

(Question Serial No. 0312)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is indicated in paragraph 106 of the 2020-21 Budget Speech that “regarding the establishment of a two-way wealth management connect scheme, good progress has been made in the discussions between Hong Kong and the Mainland. On the premise of ensuring prudent management of risks and protection of investors, the scheme aims to enable residents of Hong Kong and Mainland cities in the Greater Bay Area to invest in wealth management products in each other’s market”. In this connection, will the Government inform this Committee of the specific details of the current progress of discussions on the two-way wealth management connect scheme between Hong Kong and the Mainland, the anticipated date of launching the scheme, the types of wealth management products to be covered by the scheme, and the anticipated amount of Mainland capital attracted to invest in the wealth management products in Hong Kong?

Asked by: Hon WONG Ting-kwong (LegCo internal reference no.: 3)

Reply:

The Hong Kong Monetary Authority has maintained close communication with the Mainland authorities on the design of the wealth management connect scheme, with a view to launching the scheme as early as possible. Drawing on the successful experience of existing mutual market access schemes in devising the relevant management requirements, the scheme aims to enable residents of Hong Kong and Mainland cities in the Greater Bay Area to invest in wealth management products in each other’s market, on the premise of ensuring proper management of risks and protection of investors.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)042

(Question Serial No. 0313)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is indicated in the 2020-21 Budget Speech that the Government will continue to explore with the industry and Mainland authorities on the expansion of the channels for two-way flow of cross-boundary Renminbi (RMB) funds. In this connection, will the Government inform this Committee of the specific work on the expansion of the two-way flow of cross-boundary RMB funds, and the estimated increase in the amount of cross-boundary RMB funds handled by Hong Kong in the coming 3 years?

Asked by: Hon WONG Ting-kwong (LegCo internal reference no.: 4)

Reply:

The two-way flow of cross-boundary Renminbi (RMB) funds has increased steadily in recent years. For example, for RMB trade settlement, the total cross-boundary remittance between Hong Kong and the Mainland handled by Hong Kong banks increased by 28.7% year-on-year from RMB3.7 trillion in 2018 to RMB4.8 trillion in 2019. As for investment flow, the daily average turnover of Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect grew by 65.0% in 2019 to a historic high of RMB51.2 billion.

As RMB internationalisation advances progressively, international investors' demand for RMB assets will continue to grow. Being the global hub for offshore RMB business, Hong Kong will continue to be an important platform for international investors to invest in RMB assets and for Mainland investors to invest in overseas assets. We will continue to explore with the industry and the Mainland authorities on the expansion of the channels for two-way flow of cross-boundary RMB funds, as well as the enhancement and expansion of the mutual access schemes between the financial markets in the two places, including the trading and settlement process, the variety of tradeable products, etc.

Leveraging the opportunities and the “early and pilot implementation” advantages arising from the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) development, we will also continue to study and promote policy measures that further facilitate the cross-boundary flow of RMB in the Greater Bay Area. These include expanding the pilot scheme for Hong Kong residents to remotely open bank accounts in the Greater Bay Area and implementing the two-way wealth management connect scheme to meet the cross-boundary financial service needs of residents and corporates in the two places.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)043

(Question Serial No. 0316)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is indicated in the 2020-21 Budget Speech that the Hong Kong Growth Portfolio for direct investments in projects with a “Hong Kong nexus” would be set up under the Future Fund. In this connection, will the Government inform this Committee of the actual amount of the Hong Kong Growth Portfolio, and the specific projects with a “Hong Kong nexus” to be invested?

Asked by: Hon WONG Ting-kwong (LegCo internal reference no.: 7)

Reply:

The Government plans to establish a new Hong Kong Growth Portfolio (HKGP), with an initial allocation of 10% from the Future Fund (i.e. about \$22 billion), to make strategic investments in projects with a Hong Kong nexus. The purpose is to enhance returns, while also consolidating Hong Kong's status as a financial, commercial and innovation centre, and raising Hong Kong's productivity and competitiveness in the long run. A project could be regarded as having a Hong Kong nexus if it would be undertaken by a Hong Kong-based company, or would take place in Hong Kong, or both, but merits and relevance of individual projects will also be considered.

The Government will establish a two-tier committee framework for the HKGP, including a Governance Committee for setting the basic parameters of the HKGP and providing strategic steer, as well as an Investment Committee for deciding on the appointment of general partners, who will be responsible for sourcing projects and making investments for the HKGP.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)044

(Question Serial No. 2302)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the effort to promote the development of financial technologies (Fintech), please advise on the following:

1. On cross-border Fintech collaboration with the Mainland China through financial institutions such as the Hong Kong Monetary Authority (HKMA), the Securities and Futures Commission (SFC) and the Hong Kong Exchanges and Clearing Limited (HKEx), what events and programmes have been conducted over the years? Please set out the details by year, event/programme type and expenditure amount involved.
2. On cross-border Fintech collaboration with overseas countries and regions through financial institutions such as the HKMA, the SFC and the HKEx, what events and programmes have been conducted over the years? Please set out the details by year, event/programme type and expenditure amount involved.

Asked by: Hon WONG Ting-kwong (LegCo internal reference no.: 43)

Reply:

1. The cross-boundary Fintech collaborations and initiatives between the HKMA, SFC and HKEx, and the Mainland in the past 3 years, in reverse chronological order, are as follows. The collaborations and initiatives were covered by existing resources of the respective institutions.

Date	Financial Institution	Initiative	Description
2019	The HKMA, SFC and HKEx	Hong Kong Fintech Week 2019	To showcase the unique advantages of Hong Kong's Fintech industry and foster exchange and cooperation among financial regulatory institutions
	The HKEx	Memorandum of Understanding ("MoU") signed with Ping An Insurance China	To explore possible areas of cooperation and collaboration in Fintech and data analytics
	The HKMA	Shenzhen-Hong Kong Fintech Award 2019	To reward outstanding Fintech products and solutions in the two cities
	The HKMA	Shenzhen Summer Internship Programme 2019	A programme for students to experience the Fintech ecosystem in Shenzhen
	The HKEx	Jointly organised the JUMPSTARTER 2019 with Alibaba Entrepreneur Fund	Hosted events and pitches in Hong Kong, the Mainland China and overseas
2018	The HKMA, SFC and HKEx	Hong Kong Fintech Week 2018	To showcase the unique advantages of Hong Kong's Fintech industry and foster exchange and cooperation among financial regulatory institutions
	The HKMA	Shenzhen-Hong Kong Fintech Award 2018	To reward outstanding Fintech products and solutions in the two cities
	The HKEx	Setup of the HKEx Innovation Lab	To collaborate with Mainland Chinese and overseas start-ups to explore emerging technologies
	The HKMA	Shenzhen Summer Internship Programme 2018	A programme for students to experience the Fintech ecosystem in Shenzhen
2017	The HKMA and SFC	Hong Kong Fintech Week 2017	To showcase the unique advantages of Hong Kong's Fintech industry and foster exchange and cooperation among financial regulatory institutions
	The HKMA	Shenzhen-Hong Kong Fintech Award 2017	To reward outstanding Fintech products and solutions in the two cities
	The HKMA	Fintech MoU signed with the Shenzhen Municipal Financial Regulatory Bureau ("SZFRB")	The SZFRB is formerly known as the Office of Financial Development Service, the People's Government of Shenzhen Municipality

2. The cross-border Fintech collaborations and initiatives between the HKMA, SFC and HKEx with the overseas countries and regions in the past 3 years, in reverse chronological order, are as follows. The collaborations and initiatives were covered by existing resources of the respective institutions.

Date	Financial Institution	Initiative	Description
2019	The HKMA, SFC and HKEx	Hong Kong Fintech Week 2019	To showcase the unique advantages of Hong Kong's Fintech industry and foster exchange and cooperation among financial regulatory institutions
	The HKMA	Establishment of Bank for International Settlements Innovation Hub Hong Kong Centre	The role of the Hub Centre is to identify and develop in-depth insights into critical trends in technology affecting central banking; develop public goods in the technology space geared towards improving the functioning of the global financial system; and serve as a focal point for a network of central bank experts on innovation.
	The HKMA	Fintech MoU signed with the Autorité de Contrôle Prudentiel et de Résolution (France)	To enhance the exchange of supervisory information and co-operation
	The HKMA	Fintech MoU signed with the Bank of Thailand	To enhance the exchange of supervisory information and co-operation
	The HKMA	Proof-of-Concept trial on connecting eTradeConnect and we.trade	eTradeConnect and we.trade are blockchain-based trade finance platforms in Hong Kong and Europe respectively
	The HKMA and SFC	Establishment of Global Financial Innovation Network ("GFIN") and launch of cross-border pilot trial	The GFIN aims to create a framework for co-operation among financial services regulators on innovation-related topics, the HKMA and SFC are members
	The HKMA	Organised a high-level Fintech Roundtable	To strengthen cross-border Fintech collaboration among jurisdictions
	The HKEx	Jointly organised the JUMPSTARTER 2019 with Alibaba Entrepreneur Fund	Hosted events and pitches in Hong Kong, the Mainland China and overseas
	2018	The HKMA,	Hong Kong Fintech

Date	Financial Institution	Initiative	Description
	SFC and HKEEx	Week 2018	of Hong Kong's Fintech industry and foster exchange and cooperation among financial regulatory institutions
	The HKMA	Fintech MoU signed with the Central Bank of Brazil	To enhance the exchange of supervisory information and co-operation
	The HKEEx	Setup of the HKEEx Innovation Lab	To collaborate with Mainland Chinese start-ups to explore emerging technologies
	The HKMA	Fintech MoU signed with the Financial Services Regulatory Authority of Abu Dhabi Global Market	To enhance the exchange of supervisory information and co-operation
	The SFC	Fintech cooperation arrangement signed with the Financial Services Regulatory Authority of Abu Dhabi Global Market	To provide for exchange of information in relation to Fintech
	The HKMA	Fintech MoU signed with the Polish Financial Supervision Authority	To enhance the exchange of supervisory information and co-operation
	The SFC	Fintech cooperation arrangement signed with the Financial Market Supervisory Authority of Switzerland	To provide for exchange of information in relation to Fintech
	The HKMA	Fintech MoU signed with the Swiss Financial Market Supervisory Authority	To enhance the exchange of supervisory information and co-operation
2017	The HKMA	Fintech MoU signed with the Dubai Financial Services Authority of Dubai International Financial Centre	To enhance the exchange of supervisory information and co-operation
	The HKMA and SFC	Hong Kong Fintech Week 2017	To showcase the unique advantages of Hong Kong's Fintech industry and foster exchange and cooperation among financial regulatory institutions

Date	Financial Institution	Initiative	Description
	The HKMA	Fintech MoU signed with the Monetary Authority of Singapore	To enhance the exchange of supervisory information and co-operation
	The SFC	Fintech cooperation arrangement signed with the Securities Commission Malaysia	To provide for exchange of information in relation to Fintech
	The SFC	Fintech cooperation arrangement signed with the Dubai Financial Services Authority of Dubai	To provide for exchange of information in relation to Fintech
	The SFC	Fintech cooperation arrangement signed with the Australian Securities & Investments Commission	To provide for exchange of information in relation to Fintech
	The SFC	Fintech cooperation arrangement signed with the UK Financial Conduct Authority	To provide for exchange of information in relation to Fintech

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)045****(Question Serial No. 2303)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

1. Regarding the issuance of Renminbi (RMB) bonds in Hong Kong, please list the key milestone measures launched to develop the RMB bond market in Hong Kong, the number of issues, the percentages by target buyers, the issuing financial institutions involved, the issue values, the tenors and the terms of paying interests in each of the past years to show the changes in the market.
2. Please list the distribution of the amounts of RMB bond issuance in Hong Kong by different types of issuers in each of the past years.
3. On reinforcing the offshore RMB business platform, what specific measures and promotion activities will the Government have in the coming year to further expand the two-way flow of cross-border RMB funds, especially the size and scope of cross-border use of RMB in the Greater Bay Area? What are the manpower and public funds involved?
4. Apart from the measures mentioned in question no. 3, are there any other specific work and measures in areas such as developing new offshore RMB financial products?

Asked by: Hon WONG Ting-kwong (LegCo internal reference no.: 53)

Reply:

(1) and (2)

According to market data, the statistics in relation to the Renminbi (RMB) bonds issued in Hong Kong over the past 5 years are as follows –

	2015	2016	2017	2018	2019
Number of issues*	71	67	16	75	42

	2015	2016	2017	2018	2019
Amount of issuances* (in RMB billion)	74.9	52.8	20.6	41.9	49.4
- Mainland financial institutions	-	-	-	1.2	12.3
- Mainland non-financial institutions	1	0.5	-	3.2	4.2
- Hong Kong and overseas financial institutions	22.8	19.5	4.7	16.8	12.5
- Hong Kong and overseas non-financial institutions	20.4	4.1	1.7	10	4.2
- International financial institutions and others	2.7	0.7	0.2	0.7	1.2
- Ministry of Finance	28	28	14	10	15

Source: Bloomberg and market data

Note (*): For the avoidance of doubt, the statistics do not cover bills issued by the People's Bank of China.

Over the past 5 years, the tenors of the RMB bonds issued in Hong Kong varied from 1 month to 30 years. The bonds were mainly targeted at institutional investors and the interest rates were determined having regard to various market factors.

(3) and (4)

The two-way flow of cross-boundary RMB funds has increased steadily in recent years. For example, for RMB trade settlement, the total cross-boundary remittance between Hong Kong and the Mainland handled by Hong Kong banks increased by 28.7% year-on-year from RMB3.7 trillion in 2018 to RMB4.8 trillion in 2019. As for investment flow, the daily average turnover of Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect grew by 65.0% in 2019 to a historic high of RMB51.2 billion.

As RMB internationalisation advances progressively, international investors' demand for RMB assets will continue to grow. Being the global hub for offshore RMB business, Hong Kong will continue to be an important platform for international investors to invest in RMB assets and for Mainland investors to invest in overseas assets. We will continue to explore with the industry and the Mainland authorities on the expansion of the channels for two-way flow of cross-boundary RMB funds, as well as the enhancement and expansion of the mutual access schemes between the financial markets in the two places, including the trading and settlement process, the variety of tradeable products, etc.

Leveraging the opportunities and the "early and pilot implementation" advantages arising from the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) development, we will also continue to study and promote policy measures that further facilitate the cross-boundary flow of RMB in the Greater Bay Area. These include expanding the pilot scheme for Hong Kong residents to remotely open bank accounts in the Greater Bay Area and implementing the two-way wealth management connect scheme to meet the cross-boundary financial service needs of residents and corporates in the two places.

The above work is being pursued jointly by the Government and relevant financial regulators. The related expenses will be absorbed from within existing resources in the Financial Services Branch. We do not have a separate breakdown.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)046

(Question Serial No. 2306)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the work to “continue to promote the development of the bond market”, a number of initiatives were put forward in the 2018-19 Budget, such as launching the “Pilot Bond Grant Scheme” and amending the “Qualifying Debt Instrument Scheme”.

1. Since the implementation of the “Pilot Bond Grant Scheme”, what are the annual number of eligible enterprises applying for the grant, the total number of batches of bond issuance programme awarded the grant, and the amount involved in each batch?
2. What methods does the Government adopt to assess the development potential of the local bond market as well as the effectiveness of the Government’s work? What are the annual bond issuance size of the Government, statutory bodies or private companies in the past 5 years, and the daily average turnover and volume of the local bond market?
3. What efforts will the Government make to attract more Mainland and overseas enterprises to issue bonds in Hong Kong this year?

Asked by: Hon WONG Ting-kwong (LegCo internal reference no.: 57)

Reply:

1. The Pilot Bond Grant Scheme seeks to attract new issuers to issue bonds in Hong Kong. Since the launch of the Scheme in May 2018, 52 applications have been approved involving a total issuance size of about US\$17.5 billion. The issuance amount involved in each case ranged from US\$200 million to US\$800 million.
2. Driven by the relevant policy and support measures, the bond market in Hong Kong has grown steadily. The total bond issuance volume in Hong Kong increased from US\$345 billion in 2015 to US\$562 billion in 2019, ranking third in Asia (excluding Japan). Hong Kong dollar denominated debt instruments issued by the Government

and other public and private entities increased from HK\$2,494 billion in 2015 to HK\$4,472 billion in 2019. The total amount of outstanding Hong Kong dollar debt securities reached HK\$2,165.9 billion at the end of 2019, tripling that before the launch of the Government Bond Programme in 2009.

3. In recent years, the Government has adopted a multi-pronged strategy to develop the bond market. This includes the regular issuance of government bonds and the implementation of various supporting measures. In 2020-21, the Government will issue institutional bonds and no less than HK\$13 billion of inflation-linked retail bonds and silver bonds under the Government Bond Programme. We also plan to issue a total of HK\$66 billion government green bonds under the Government Green Bond Programme in the five years from 2020-21 to promote the development of green finance. Moreover, the Government and the regulatory authorities will continue to promote the strengths of our bond market with a view to attracting overseas enterprises to issue bonds in Hong Kong.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)047

(Question Serial No. 2307)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

1. How does the Government assess the benefits brought to, inter alia, the financial services industry and the professional services sector of Hong Kong following the participation of Hong Kong in the Asian Infrastructure Investment Bank (AIIB)?
2. Hong Kong was the fifth largest service contributor of the AIIB in 2017. Please tabulate per year the projects in which Hong Kong has benefited from the service procurement of the AIIB in the past years and the contract values involved.

Asked by: Hon WONG Ting-kwong (LegCo internal reference no.: 58)

Reply:

(1) & (2)

The establishment of the AIIB aims to improve connectivity in Asia by investing in infrastructure projects that contribute to the economic development in the region. As an international financial centre having a wide range of globally competitive professional services, Hong Kong stands to benefit from the economic development in the region and is also well positioned to support the operation of the AIIB. In the past 3 years (2017-2019), the AIIB awarded over US\$4.77 million of corporate procurement contracts to Hong Kong professional service providers, covering auditing, consultancy, information technology and staff development, amongst other areas.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)048****(Question Serial No. 2308)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please inform this Council of the following regarding the development of green finance in Hong Kong:

1. What was the number of green bonds issued by public and private issuers respectively in the past 3 years? What were the annual total issuance amount and the average issuance amount concerned?
2. Since the launch of the Green Bond Grant Scheme last year, how many applications has been received? What are the total and average amounts involved? What are the types of enterprises, industries and scale of companies involved?

Asked by: Hon WONG Ting-kwong (LegCo internal reference no.: 59)

Reply:

- (1) The annual total issuance amounts of green bonds arranged and issued in Hong Kong in 2016- 2018 are set out below –

Year	Annual total issuance amount (US\$ billion)
2016	1.6
2017	3.2
2018	10.8

Relevant figures for 2019 are not yet available. Among the total amount of green bonds arranged and issued in 2018, corporates, financial institutions and multilateral development banks accounted for 49%, 36% and 15% respectively.

- (2) Since June 2018, the Green Bond Grant Scheme has been implemented and is valid for a period of 3 years to support eligible green bond issuers in obtaining certification under

the Green Finance Certification Scheme administered by the Hong Kong Quality Assurance Agency. By end-February 2020, a total of 22 applications have been received, of which 1 is being processed and the remaining applications have been approved. The total and average amounts of grant approved are \$2,917,557 and \$138,931 respectively. Issuers involved include institutions from the financial, real estate and environmental sectors.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)049

(Question Serial No. 2309)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

To have more enterprises outside Hong Kong to establish their regional headquarters here, the SAR Government has been offering tax concessions to qualifying corporate treasury centres (CTCs) since 2016. Please advise on the following:

1. Please set out in table form the numbers, growth rates, trades and origins of enterprises with their CTCs established in Hong Kong since the launch of the initiative.
2. What are the changes and growth rates in the numbers of enterprises with their regional headquarters established in Hong Kong since the launch of the initiative? What are the respective percentages of Mainland enterprises and non-Mainland enterprises?
3. Does the Government have any new initiatives or plans under consideration or intended to be launched this year to further strengthen Hong Kong's role as an international CTC?

Asked by: Hon WONG Ting-kwong (LegCo internal reference no.: 54)

Reply:

- 1 and 3. To attract foreign corporates to centralise their treasury functions in Hong Kong, the Government amended the Inland Revenue Ordinance in June 2016 to reduce the profits tax rate by 50% for qualifying corporate treasury centres (CTCs), and to enable the deduction of interest payable on money borrowed by a corporation carrying on in Hong Kong an intra-group financing business under specified conditions. Since the amendment of the Ordinance, nearly 300 cases have benefitted from the tax concessions. The majority of the corporates are from the Mainland, with some being multinationals from the US and Japan, which are engaged in diversified trades and businesses. The Government will keep in view

the latest development in the market and the international regulatory landscape, and consider refinement to the regime as necessary.

2. According to the information provided by the Commerce and Economic Development Bureau, in 2019 a total of 1 541 foreign enterprises had set up regional headquarters (RHQs) in Hong Kong, representing an increase of 162 enterprises as compared with 2016. Among them, 14% have their parent company located in the Mainland while 86% have their parent company located elsewhere. It should be noted that foreign enterprises may choose to set up RHQs in Hong Kong for various considerations, and not necessarily due to tax concessions for CTCs.

- End -

CONTROLLING OFFICER'S REPLY

(Question Serial No. 2310)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The Financial Dispute Resolution Centre has been in operation for more than 7 years since June 2012.

1. What were the manpower and public expenditure of the Centre in each of the past years? Please provide the details in table form. As the number of staff has been falling, will the turnover of staff become more stable in future?
2. What was the progress of cases handled in each of the past 7 years? Please set out in table form the number and types of cases, the amount involved, the final outcome and the total amount of time for handling cases.
3. Over the past 6 years, what was the amount of financial resources deployed by the Government to conduct training courses and continuing professional development workshops for mediators and arbitrators? What is the relevant amount for this year?

Asked by: Hon WONG Ting-kwong (LegCo internal reference no.: 60)

Reply:

1. The number of staff of the Financial Dispute Resolution Centre (FDRC) and the associated staff costs by year are as follows –

Year	Number of staff (at year end)	Staff costs (\$ million)
2012	16	6.9
2013	17	9.2
2014	13	9.6
2015	13	7.8
2016	10	7.2
2017	8	6.1

2018	7	5.6
2019	7	5.2

The FDRC will continue to make appropriate arrangements for its manpower based on workload and operational needs.

2. As at the end of 2019, the FDRC has accepted 171 applications for its mediation service. The breakdown by the nature of these accepted cases is set out below –

Nature of cases	Number of applications for mediation accepted								
	2012	2013	2014	2015	2016	2017	2018	2019	Total
Misrepresentation – Investment performance, product nature and administrative matters	5	15	25	6	9	2	1	3	66
Operational issues – Omission, negligence and maladministration	4	8	3	3	5	9	3	7	42
Mis-selling – Omission	3	4	5	8	12	4	7	4	47
Forced liquidation	2	1	0	4	5	0	0	0	12
System malfunction	0	1	0	0	1	1	0	1	4
Total	14	29	33	21	32	16	11	15	171

Since 2018, the maximum claimable amount per case has been increased from \$500,000 to \$1,000,000, and the amount can exceed the standard maximum amount subject to the agreement between the two parties of a case. As the final settlement details of each case are confidential, the final monetary value involved in each case is also confidential.

Out of the 147 mediation cases closed, 123 were settled, representing a success rate of around 84%. The breakdown by year is provided below –

Year	Number of applications for mediation accepted	Number of mediation cases closed	Number of cases settled
2012	14	9	7
2013	29	25	19
2014	33	32	30
2015	21	16	15
2016	32	24	20
2017	16	16	12
2018	11	10	8
2019	15	15	12
Total	171	147	123

Unless the parties to mediation agree to opt for extended mediation, each mediation normally lasts for 4 hours.

3. Since its establishment, the FDRC has been organising training courses and continuing professional development (CPD) workshops for FDRC mediators, arbitrators and case officers. FDRC case officers are required to fulfil the relevant training requirements to administer the Financial Dispute Resolution Scheme and/or become mediators. The amount of spending in this area by year is provided below –

Year	Amount deployed/reserved for training courses and continuing professional development workshops (\$'000)
2012 (from 19 June)	141
2013	104
2014	20
2015	47
2016	56
2017	35
2018	172 [#]
2019	9
2020 (Estimate)	80

[#] To coordinate with the implementation of enhancements to its “Terms of Reference” from 2018, the FDRC allocated extra resources in the year to provide relevant training to FDRC mediators and arbitrators.

To enhance flexibility and effective use of resources, the FDRC expanded the Approved CPD Providers Scheme in 2019 by recognising more relevant training courses organised by various training institutions. FDRC mediators and arbitrators can enroll in accredited courses organised by other training institutions according to their individual experience, needs and progress and meeting the training and CPD requirements.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)051

(Question Serial No. 0469)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the work to “continue to monitor compliance with the more stringent licensing conditions by licensed money lenders”, at the meeting of the Legislative Council Panel on Financial Affairs held in November 2019, the Secretary for Financial Services and the Treasury said that the Financial Services and the Treasury Bureau was aware of the Consumer Council’s report submitted earlier on the Money Lenders Ordinance (MLO) and the recommendations therein, and that the Administration was conducting a survey on unsecured personal loans offered by licensed money lenders and would consider the need to review the MLO taking into account the results of the survey.

1. With regard to the above survey, what are the (a) expenditure and staff establishment involved; (b) current progress; (c) anticipated date of completion; and (d) date of announcement of the results?
2. Is the Government carrying out any review of the MLO at present or will such review be carried out in the coming year? If so, what are the details?
3. Apart from the survey on unsecured personal loans, are there any surveys on other types of loans that the Government has carried out or plans to carry out? If so, what are the details?

Asked by: Hon WU Chi-wai (LegCo internal reference no.: 1)

Reply:

1. The survey is conducted by the Money Lenders Section (MLS) of the Companies Registry (CR) using existing resources. Data collection has been completed and analysis is being conducted with a view to briefing the Panel on Financial Affairs on the findings of the survey in May this year.
2. The Government has been monitoring the money lending sector in order to review and improve the regulation on licensed money lenders. Since 2016, the Government has been stepping up its efforts in addressing the concerns about money lenders using a

four-pronged approach namely, enhanced enforcement by the Police, imposition of more stringent licensing conditions on money lenders under the Money Lenders Ordinance, enhanced public education and publicity, and enhanced advisory services to the public. The Government will continue to closely monitor the latest developments of the money lending market and consider further enhancement measures including tightening the regulation of the money lenders as and when necessary.

3. The MLS of the CR regularly collects information from the money lending sector, and will collect specific information from licensed money lenders as necessary to facilitate its regulatory work.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)052****(Question Serial No. 1488)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is stated in paragraph 184 of the Budget Speech of the Financial Secretary that the Government will use part of the Future Fund to set up the Hong Kong Growth Portfolio for direct investments in projects with a "Hong Kong nexus". In this connection, please provide:

1. the financial information about the Future Fund since its establishment, including the opening and closing balances, surplus, rate of return and amount of capital injection in each year;
2. the details of the direct investments in projects with a "Hong Kong nexus" (for example, the proposed investment scope, amount and rate of return).

Asked by: Hon YUNG Hoi-yan (LegCo internal reference no.: 17)

Reply:

1. The financial information about the Future Fund is as follows –

	Injection amount (\$ billion)	Investment income (\$ billion)	Closing balance (\$ billion)	Composite rate of return (%)
2016	224.5	10.1	234.6	4.5
2017	-	22.7	257.3	9.6
2018	-	16.4	273.7	6.1

The composite rate of return and investment income of 2019 are expected to be announced in late April 2020.

2. The Government plans to establish a new Hong Kong Growth Portfolio (HKGP), with an initial allocation of 10% from the Future Fund (i.e. about \$22 billion), to make

strategic investments in projects with a Hong Kong nexus. The purpose is to enhance returns, while also consolidating Hong Kong's status as a financial, commercial and innovation centre, and raising Hong Kong's productivity and competitiveness in the long run.

A project could be regarded as having a Hong Kong nexus if it would be undertaken by a Hong Kong-based company, or would take place in Hong Kong, or both, but the merits and relevance of individual projects will also be considered. The Government will establish a two-tier committee framework for the HKGP, including a Governance Committee for setting the basic parameters of the HKGP (including investment objectives, investment guidelines, scope, etc.) and providing strategic steer, as well as an Investment Committee for deciding on the appointment of general partners, who will be responsible for sourcing projects and making investments for the HKGP.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)053

(Question Serial No. 1052)

Head: (26) Census and Statistics Department

Subhead (No. & title): (000) Operational expenses

Programme: (2) Social Statistics

Controlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The estimated expenditure for 2020-21 is \$99.9 million higher than the revised estimate for 2019-20 with a net increase of 55 posts. In this regard, please provide the following:

- 1) What are the titles and job nature of these 55 new posts? Are they solely supernumerary posts? Will these posts be deleted upon completion of the projects?
- 2) What are the estimated expenditure and manpower resources involved in the pilot survey to be conducted in mid-2020?

Asked by: Hon CHAN Chun-ying (LegCo internal reference no.: 15)

Reply:

- 1) In 2020-21, the Census and Statistics Department (C&SD) will create 57 time-limited civil service posts for the 2021 Population Census (21C) and delete 2 time-limited civil service posts created for conducting the Survey on Persons with Disabilities and Chronic Diseases under Programme (2). The net increase is 55 posts.

The 57 time-limited posts to be created will support the work related to the 21C, including planning and management of the data collection work of the census, compilation and dissemination of statistical results, development of relevant information technology systems, as well as publicity and other administrative support. These posts will be deleted upon completion of the project. The titles and numbers of these posts are provided below:

Post title	No. of posts
Senior Statistical Officer	1
Statistical Officer I	8
Senior Census and Survey Officer	4
Census and Survey Officer	37
Senior Executive Officer	1
Executive Officer I	2
Clerical Officer	2

Post title	No. of posts
Systems Manager	1
Analyst/Programmer I	1
Total	57

- 2) C&SD does not have breakdowns of the expenditure and manpower resources for the Pilot Survey of the 21C.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)054****(Question Serial No. 2192)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (2) Social StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Under Programme (2) Social Statistics of the Census and Statistics Department, the aim is to produce and analyse demographic, labour force and social statistics, and to maintain a register of quarters as a sampling frame for conducting household surveys. Please inform this Committee of the following:

- a. the numbers of live births in Hong Kong and the figures of live births born in Hong Kong to Mainland women from 2001 to 2020. Please set out in the table below:

Reference period	No. of live births	Of which no. of live births born in Hong Kong to Mainland women			Sub-total
		whose spouses are Hong Kong Permanent Residents	whose spouses are not Hong Kong Permanent Residents	Others	

- b. the statistics regarding the proportion of live births born to Mainland women in public hospitals and private hospitals from 2007 to 2020.
- c. the respective numbers of doubly non-permanent resident children admitted by kindergartens, primary schools, secondary schools and universities in Hong Kong for each grade in the past five years, their respective percentages in the total numbers of students, and the estimated figures in the next five years.
- d. the respective numbers of Hong Kong residents who reported to reside in Hong Kong, the Mainland and overseas in the past five years.

Reference period	No. of residents who reported to reside in Hong Kong	No. of residents who reported to reside in the Mainland	No. of residents who reported to reside overseas

Asked by: Hon MO Claudia (LegCo internal reference no.: 21)

Reply:

- a. The total number of live births in Hong Kong and the number of live births born in Hong Kong to Mainland women from 2001 to 2019 are set out in Table 1. The corresponding figures for 2020 are not yet available.
- b. Statistics on the proportion of live births born to Mainland women in public hospitals and private hospitals in Hong Kong from 2007 to 2018 are set out in Table 2. The corresponding figures for 2019 and 2020 are not yet available.
- c. The Census and Statistics Department (C&SD) does not have the relevant statistics.
- d. C&SD does not have the relevant statistics.

Table 1:

Total number of live births in Hong Kong and number of live births born in Hong Kong to Mainland women from 2001 to 2019

Year	Total no. of live births ⁽¹⁾	Of which no. of live births born in Hong Kong to Mainland women			
		whose spouses are Hong Kong Permanent Residents	whose spouses are not Hong Kong Permanent Residents ⁽²⁾	Others ⁽³⁾	Sub-total
2001	48 219	7 190	620	-	7 810
2002	48 209	7 256	1 250	-	8 506
2003	46 965	7 962	2 070	96	10 128
2004	49 796	8 896	4 102	211	13 209
2005	57 098	9 879	9 273	386	19 538
2006	65 626	9 438	16 044	650	26 132
2007	70 875	7 989	18 816	769	27 574
2008	78 822	7 228	25 269	1 068	33 565
2009	82 095	6 213	29 766	1 274	37 253
2010	88 584	6 169	32 653	1 826	40 648
2011	95 451	6 110	35 736	2 136	43 982
2012	91 558	4 698	26 715	1 786	33 199
2013	57 084	4 670	790	37	5 497
2014	62 305	5 179	823	22	6 024
2015	59 878	4 775	775	16	5 566
2016	60 856	4 370	606	3	4 979
2017	56 548	3 826	502	6	4 334
2018	53 716	3 549	434	0	3 983
2019 [#]	52 893	3 343	393	5	3 741

- Notes :
- (1) Figures refer to births actually taking place in that reference period.
 - (2) Including Hong Kong Non-permanent Residents (such as persons from the Mainland having resided in Hong Kong for less than 7 years) and non-Hong Kong residents.
 - (3) Mainland mothers did not provide the fathers' resident status during birth registration.

- Not available
- # Provisional figure

Table 2:

Proportion of live births born to Mainland women in public hospitals and private hospitals in Hong Kong from 2007 to 2018

Year	Percentage share in public hospitals	Percentage share in private hospitals
2007	33%	67%
2008	32%	68%
2009	28%	72%
2010	26%	74%
2011	24%	76%
2012	10%	90%
2013	7%	93%
2014	6%	94%
2015	5%	95%
2016	4%	96%
2017	5%	95%
2018	4%	96%

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)055****(Question Serial No. 0001)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not SpecifiedProgramme: (6) Labour StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Concerning the manpower situation of the construction industry and the supplementary labour scheme, will the Administration inform this Council:

- a) average daily wages of workers engaged in Public Sector Construction Projects as reported by main contractors

Trade	2/2017 (\$/day)	2/2018 (\$/day)	2/2019 (\$/day)	2/2020 (\$/day)
Concretor				
Bricklayer				
Drainlayer				
Mason				
Bar bender and fixer				
Metal worker				
General welder				
Structural steel erector				
Structural steel welder				
Rigger/metal formwork erector				
Carpenter (formwork)				
Joiner				
Plumber				
Construction plant mechanic				
Plant & equipment operator (load shifting)				
Truck driver				
Rock-breaking driller				
Asphalter (road construction)				
Bamboo scaffolder				
Diver				
Plasterer				
Glazier				
Painter and decorator				

Leveller				
Marble worker				
Electrical fitter (incl. electrician)				
Mechanical fitter				
Refrigeration/airconditioning/ventilation mechanic				
Fire services mechanic				
Lift and escalator mechanic				
Building services maintenance mechanic				
Cable jointer (power)				
General workers and labourers				

b) overall manpower situation of construction trades

Trade	No of active workers in (2018/2019/2020)	No of workers actually required (2018/2019/2020)	(No. of applications received for labour importation / number of labourers involved)	(No of applications approved / number of labourers involved)
Concretor				
Bricklayer				
Drainlayer				
Mason				
Bar bender and fixer				
Metal worker				
General welder				
Structural steel erector				
Structural steel welder				
Rigger/metal formwork erector				
Carpenter (formwork)				
Joiner				
Plumber				
Construction plant mechanic				
Plant & equipment operator (load shifting)				
Truck driver				
Rock-breaking driller				
Asphalter (road construction)				
Bamboo scaffolder				
Diver				
Plasterer				
Glazier				
Painter and decorator				
Leveller				
Marble worker				
Electrical fitter (incl. electrician)				
Mechanical fitter				

Refrigeration/airconditioning/ventilation mechanic				
Fire services mechanic				
Lift and escalator mechanic				
Building services maintenance mechanic				
Cable jointer (power)				
General workers and labourers				

Asked by: Hon SHEK Lai-him, Abraham (LegCo internal reference no.: 1)

Reply:

- a) The relevant statistics compiled by the Census and Statistics Department based on information reported by main contractors are at Annex 1.
- b) The Government does not have relevant statistics on the number of active workers and the number of workers actually required for individual trades. The numbers of registered semi-skilled and skilled workers in individual trades as well as registered general workers under the Construction Workers Registration System provided by the Development Bureau are at Annex 2.

The numbers of imported workers applied for and approved under the Supplementary Labour Scheme provided by the Labour Department are at Annex 3.

Average daily wages of workers engaged in
public sector construction projects as reported by main contractors

(HK\$/day)

Trade	February 2017	February 2018	February 2019
Concretor	1,993.8	1,932.9	1,938.4
Bricklayer	1,260.3	1,437.0	1,306.9
Drainlayer	1,635.3	1,647.5	1,672.1
Mason	1,018.5	1,119.3	1,384.0
Bar bender and fixer	2,088.3	2,185.9	2,237.7
Metal worker	1,196.6	1,252.3	1,230.0
General welder	1,397.9	1,375.9	1,389.3
Structural steel erector	1,420.9	1,644.4	1,505.7
Structural steel welder	1,410.0	1,509.1	1,423.7
Rigger/metal formwork erector	1,696.2	1,653.9	1,614.6
Carpenter (formwork)	1,994.4	1,912.2	1,950.1
Joiner	1,224.8	1,270.0	1,282.3
Plumber	1,397.0	1,420.4	1,372.7
Construction plant mechanic	1,291.0	1,313.8	1,221.9
Plant & equipment operator (load shifting)	1,195.6	1,224.6	1,236.2
Truck driver	865.4	903.9	888.1
Rock-breaking driller	1,474.5	1,732.9	1,612.2
Asphalter (road construction)	942.2	970.8	988.2
Bamboo scaffolder	1,856.2	1,913.2	1,821.0
Diver	2,363.0	2,298.7	2,363.8
Plasterer	1,384.5	1,354.6	1,328.0
Glazier	1,528.0	1,370.2	1,423.5
Painter and decorator	1,225.5	1,223.0	1,205.7
Leveller	1,353.8	1,342.2	1,322.1
Marble worker	1,269.0	1,479.9	1,308.4
Electrical fitter (incl. electrician)	1,172.7	1,194.7	1,204.4
Mechanical fitter	874.6	954.5	981.9
Refrigeration/air-conditioning/ventilation mechanic	979.0	982.4	988.5
Fire services mechanic	1,197.6	1,194.0	1,186.6

(HK\$/day)

Trade	February 2017	February 2018	February 2019
Lift and escalator mechanic	775.2	864.7	921.8
Building services maintenance mechanic	814.7	888.0	871.1
Cable jointer (power)	769.2	995.6	1,267.9
General workers and labourers	1,032.6	995.2	980.5

Notes: The average daily wages are compiled based on the information obtained from the self-administered “Monthly Return of Site Labour Deployment and Wage Rates for Construction Works” (GF527) completed by main contractors of public sector construction projects. As private sector construction projects are not covered, they cannot represent the overall wage situation of site workers in the construction industry.

Figures for February 2020 will be available on 29 April 2020.

Numbers of registered semi-skilled and skilled workers in individual trades and number of registered general workers under the Construction Workers Registration System

(i) Numbers of registered semi-skilled and skilled workers in individual trades

Trade	Number of registered semi-skilled workers		Number of registered skilled workers	
	2018	2019	2018	2019
Concretor	2 612	2 866	2 298	2 309
Bricklayer	532	609	794	809
Drainlayer	46	54	708	702
Mason	3	3	47	46
Bar bender and fixer	3 936	3 921	5 435	5 283
Metal worker	504	525	5 794	5 685
General welder	2 237	2 378	5 259	5 256
Structural steel erector	6	5	75	71
Structural steel welder	-	-	625	673
Rigger/metal formwork erector	517	537	1 911	1 882
Carpenter (formwork)	3 371	3 431	9 456	9 393
Joiner	1 193	1 292	8 504	7 904
Plumber	1 221	1 453	7 642	7 397
Construction plant mechanic	481	451	979	972
Plant & equipment operator (load shifting)	-	-	9 680	10 010
Truck driver	-	-	16 323	16 437
Rock-breaking driller	-	-	325	322
Asphalter (road construction)	3	3	296	295
Bamboo scaffolder	402	412	2 036	2 051
Diver	-	-	283	332
Plasterer	466	478	2 856	2 860
Glazier	52	58	510	523
Painter and decorator	1 402	1 603	10 608	9 993
Leveller	3 157	3 153	3 676	3 727
Marble worker	173	186	2 065	2 029
Electrical fitter (incl. electrician)	-	-	37 906	37 618
Mechanical fitter	149	203	1 339	1 315
Refrigeration/air-conditioning/ventilation mechanic	712	744	7 054	6 728
Fire services mechanic	342	393	2 145	2 103
Lift and escalator mechanic	-	-	4 105	4 193
Building services maintenance mechanic	-	-	-	-

Trade	Number of registered semi-skilled workers		Number of registered skilled workers	
	2018	2019	2018	2019
Cable jointer (power)	-	-	534	522

(ii) Number of registered general workers

Trade	Number of registered workers	
	2018	2019
General workers	246 944	245 778

Notes: Figures are number of registered workers at the end of the respective years.

“ – ” represents “Not applicable”.

Figures for the end of 2020 will be available in January 2021.

Numbers of imported workers applied for and approved
under the Supplementary Labour Scheme

Trade	Number of imported workers applied for under the Supplementary Labour Scheme *		Number of imported workers approved under the Supplementary Labour Scheme *	
	2018	2019	2018	2019
Concretor	0	0	0	0
Bricklayer	0	4	0	0
Drainlayer	0	0	0	0
Mason	0	11	0	0
Bar bender and fixer	0	0	0	0
Metal worker	0	0	0	0
General welder	0	4	0	0
Structural steel erector	0	0	0	0
Structural steel welder	0	0	0	0
Rigger/metal formwork erector	0	0	0	0
Carpenter (formwork)	0	1	0	0
Joiner	0	3	0	0
Plumber	0	1	0	0
Construction plant mechanic	0	1	0	0
Plant & equipment operator (load shifting)	0	0	0	0
Truck driver	0	0	0	0
Rock-breaking driller	0	0	0	0
Asphalter (road construction)	10	0	0	0
Bamboo scaffolder	0	0	0	0
Diver	0	0	0	0
Plasterer	0	3	0	0
Glazier	0	1	0	0
Painter and decorator	0	0	0	0
Leveller	0	1	0	0
Marble worker	0	8	0	0
Electrical fitter (incl. electrician)	0	0	0	0
Mechanical fitter	0	0	0	0
Refrigeration/air-conditioning/ventilation mechanic	0	0	0	0
Fire services mechanic	0	0	0	0
Lift and escalator mechanic	9	12	0	6
Building services maintenance mechanic	0	0	0	0

Trade	Number of imported workers applied for under the Supplementary Labour Scheme *		Number of imported workers approved under the Supplementary Labour Scheme *	
	2018	2019	2018	2019
Cable jointer (power)	0	0	0	0
General workers and labourers	1	0	0	0

Notes: * The vetting of applications received towards year-end may be completed in the following year, and hence the number of imported workers approved in the year may not correspond to the number of imported workers applied for in the same year.

As the statistics of the Supplementary Labour Scheme are compiled on a yearly basis, figures for 2020 will be available in the first quarter of 2021.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)056

(Question Serial No. 2311)

Head: (26) Census and Statistics Department

Subhead (No. & title): (-) Not specified

Programme: (5) Price/Industry/Service Statistics

Controlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please compare the innovation and technology industry and the traditional Four Key Industries in Hong Kong (including financial services, tourism, trading and logistics, as well as professional and other producer services) with other emerging industries (including cultural and creative industries, medical services, education services, testing and certification services, and environmental industries) in table form. Items for comparison include (1) the value added, (2) the year-on-year percentage change, (3) the percentage of the value added in Gross Domestic Product, (4) the number of employees, (5) the year-on-year percentage change, and (6) the percentage of the number of employees in the total employment, for the past 10 years.

Asked by: Hon WONG Ting-kwong (LegCo internal reference no.: 61)

Reply:

The statistics in respect of the innovation and technology industry and the Four Key Industries (including financial services, tourism, trading and logistics, and professional services and other producer services) and other selected industries (including cultural and creative industries, medical services, education services, testing and certification services, and environmental industries) in Hong Kong for 2009-2018 on (1) value added at current prices; (2) year-on-year percentage change of value added at current prices; (3) percentage share of value added at current prices in Gross Domestic Product; (4) employment; (5) year-on-year percentage change of employment and (6) percentage share of employment in total employment are set out in Table 1 to Table 6 at Annex. The relevant statistics for 2019 are not yet available.

Table 1 : Value added at current prices

(HK\$m)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 ⁽³⁾
Innovation and technology ⁽¹⁾	10,733	11,766	12,371	13,422	14,738	15,789	16,710	17,072	18,289	20,274
Cultural and creative industries ⁽¹⁾	63,266	77,573	89,551	97,837	106,050	109,680	108,920	109,607	111,766	117,910
Medical services ⁽¹⁾	23,914	26,128	27,401	29,462	32,445	36,198	38,915	42,087	46,894	49,848
Education services ⁽¹⁾	16,517	17,541	19,975	22,601	24,221	26,086	28,079	30,127	32,354	34,947
Testing and certification services ⁽¹⁾	5,081	5,157	5,368	5,827	6,011	6,491	7,017	7,325	7,516	7,675
Environmental industries ⁽¹⁾	4,697	5,603	6,515	6,750	7,103	7,802	7,891	8,423	9,329	9,640
Financial services	255,900	283,800	305,300	319,300	346,200	368,000	409,900	428,900	480,500	532,800
Tourism	51,000	74,600	86,200	94,600	105,900	112,500	116,400	112,400	114,200	121,000
Trading and logistics	377,800	439,600	485,400	495,400	500,500	515,700	517,400	523,100	548,400	571,000
Professional services and other producer services	201,500	216,100	235,900	257,600	260,200	273,200	287,200	302,900	311,800	322,800

Table 2 : Year-on-year percentage change of value added at current prices

(%)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 ⁽³⁾
Innovation and technology ⁽¹⁾	4.4	9.6	5.1	8.5	9.8	7.1	5.8	2.2	7.1	10.9
Cultural and creative industries ⁽¹⁾	0.0	22.6	15.4	9.3	8.4	3.4	-0.7	0.6	2.0	5.5
Medical services ⁽¹⁾	9.5	9.3	4.9	7.5	10.1	11.6	7.5	8.2	11.4	6.3
Education services ⁽¹⁾	4.5	6.2	13.9	13.1	7.2	7.7	7.6	7.3	7.4	8.0
Testing and certification services ⁽¹⁾	12.9	1.5	4.1	8.6	3.2	8.0	8.1	4.4	2.6	2.1
Environmental industries ⁽¹⁾	12.4	19.3	16.3	3.6	5.2	9.8	1.1	6.7	10.8	3.3
Financial services	-7.7	10.9	7.6	4.6	8.4	6.3	11.4	4.6	12.0	10.9
Tourism	14.2	46.4	15.5	9.7	11.9	6.2	3.4	-3.4	1.6	5.9
Trading and logistics	-8.9	16.3	10.4	2.0	1.0	3.0	0.3	1.1	4.8	4.1

Professional services and other producer services	2.0	7.2	9.1	9.2	1.0	5.0	5.1	5.5	2.9	3.5
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Table 3 : Percentage share of value added at current prices in Gross Domestic Product

(%)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 ⁽³⁾
Innovation and technology ⁽¹⁾	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8
Cultural and creative industries ⁽¹⁾	4.0	4.5	4.7	4.9	5.1	5.0	4.7	4.5	4.4	4.4
Medical services ⁽¹⁾	1.5	1.5	1.4	1.5	1.5	1.6	1.7	1.7	1.8	1.8
Education services ⁽¹⁾	1.0	1.0	1.1	1.1	1.2	1.2	1.2	1.2	1.3	1.3
Testing and certification services ⁽¹⁾	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Environmental industries ⁽¹⁾	0.3	0.3	0.3	0.3	0.3	0.4	0.3	0.3	0.4	0.4
Financial services	16.2	16.3	16.1	15.9	16.5	16.7	17.6	17.7	18.8	19.7
Tourism	3.2	4.3	4.5	4.7	5.0	5.1	5.0	4.7	4.5	4.5
Trading and logistics	23.9	25.3	25.5	24.6	23.9	23.4	22.3	21.6	21.5	21.2
Professional services and other producer services	12.7	12.4	12.4	12.8	12.4	12.4	12.3	12.5	12.2	12.0

Table 4 : Employment

(Number)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 ⁽³⁾
Innovation and technology ⁽¹⁾⁽²⁾	27 470	28 820	29 260	30 240	32 000	33 660	35 070	35 820	36 980	38 760
Cultural and creative industries ⁽¹⁾	188 250	189 430	192 930	200 370	207 490	213 060	213 880	212 820	213 400	217 280
Medical services ⁽¹⁾	72 740	73 480	76 310	78 960	82 100	87 470	89 480	91 440	98 590	99 940
Education services ⁽¹⁾	62 200	66 510	70 730	73 110	74 920	76 810	79 330	82 560	85 790	87 060
Testing and certification services ⁽¹⁾	12 680	12 390	13 110	12 780	13 090	13 520	13 580	13 960	14 300	14 620
Environmental industries ⁽¹⁾	32 410	36 080	38 350	39 520	40 650	42 140	43 750	44 300	44 080	43 830
Financial services	211 400	216 700	226 200	229 100	231 900	236 400	246 700	253 100	258 500	263 000
Tourism	192 200	215 100	236 100	251 400	270 300	271 300	265 900	259 800	257 100	256 900

Trading and logistics	783 900	778 200	773 800	763 600	766 300	764 800	746 900	730 700	727 500	718 600
Professional services and other producer services	456 200	460 100	469 300	482 600	496 200	507 700	521 700	531 800	537 200	551 000

Table 5 : Year-on-year percentage change of employment

(%)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 ⁽³⁾
Innovation and technology ⁽¹⁾⁽²⁾	5.3	4.9	1.5	3.3	5.8	5.2	4.2	2.1	3.2	4.8
Cultural and creative industries ⁽¹⁾	-1.6	0.6	1.8	3.9	3.6	2.7	0.4	-0.5	0.3	1.8
Medical services ⁽¹⁾	4.0	1.0	3.9	3.5	4.0	6.5	2.3	2.2	7.8	1.4
Education services ⁽¹⁾	9.4	6.9	6.3	3.4	2.5	2.5	3.3	4.1	3.9	1.5
Testing and certification services ⁽¹⁾	2.1	-2.3	5.8	-2.5	2.4	3.3	0.4	2.8	2.4	2.2
Environmental industries ⁽¹⁾	3.6	11.3	6.3	3.1	2.9	3.7	3.8	1.3	-0.5	-0.6
Financial services	2.6	2.5	4.4	1.3	1.2	2.0	4.3	2.6	2.1	1.7
Tourism	-1.3	11.9	9.8	6.5	7.5	0.4	-2.0	-2.3	-1.0	-0.1
Trading and logistics	-4.4	-0.7	-0.6	-1.3	0.4	-0.2	-2.3	-2.2	-0.4	-1.2
Professional services and other producer services	-0.2	0.9	2.0	2.8	2.8	2.3	2.8	1.9	1.0	2.6

Table 6 : Percentage share of employment in total employment

(%)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 ⁽³⁾
Innovation and technology ⁽¹⁾⁽²⁾	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.9	1.0	1.0
Cultural and creative industries ⁽¹⁾	5.4	5.4	5.4	5.5	5.6	5.7	5.7	5.6	5.6	5.6
Medical services ⁽¹⁾	2.1	2.1	2.1	2.2	2.2	2.3	2.4	2.4	2.6	2.6
Education services ⁽¹⁾	1.8	1.9	2.0	2.0	2.0	2.1	2.1	2.2	2.2	2.3
Testing and certification services ⁽¹⁾	0.4	0.4	0.4	0.3	0.4	0.4	0.4	0.4	0.4	0.4

Environmental industries ⁽¹⁾	0.9	1.0	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.1
Financial services	6.1	6.2	6.3	6.3	6.2	6.3	6.5	6.7	6.8	6.8
Tourism	5.5	6.2	6.6	6.9	7.3	7.2	7.0	6.9	6.7	6.6
Trading and logistics	22.6	22.4	21.6	20.9	20.6	20.4	19.8	19.3	19.0	18.6
Professional services and other producer services	13.1	13.2	13.1	13.2	13.3	13.6	13.8	14.0	14.0	14.2

Notes:

- (1) The estimates of these industries reflect the direct economic contribution of these industries in the private sector.
 - (2) Since innovation and technology involves significant non-routine activities, employment in respect of these activities is measured by the volume of labour input to innovation and technology in full-time equivalent terms (in terms of man-years).
 - (3) Figures are subject to routine revision when more data become available.
- '0.0': Change within $\pm 0.05\%$.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)057****(Question Serial No. 2426)**

Head: (116) Official Receiver's Office

Subhead (No. & title): (-) Not Specified

Programme: (1) Official Receiver's Office

Controlling Officer: Official Receiver (MCKENNA Phyllis)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The Official Receiver's Office will continue to monitor the Administrative Panel Scheme for contracting out non-summary liquidation cases (each with estimated realisable assets of more than \$200,000) to practitioners in the private sector.

1. Please provide the number of the cases contracted out, the expenditure involved in contracting out the cases, the ways the practitioners in the private sector are commissioned, and the monetary amount involved in each case contracted out in the past 3 years in tabular format.
2. Hong Kong's economic outlook is uncertain in light of epidemic outbreaks. It is afraid that the number of liquidation cases will be on an upward trend. Will the Government hire additional contract-out staff to deal with the needs? And, what are the manpower and amount involved?

Asked by: Hon CHAN Han-pan (LegCo internal reference no.: 25)

Reply:

- (1) In the past 3 years, the number of non-summary liquidation cases outsourced to Private Insolvency Practitioners (PIPs) is as follows:-

Financial Year	2017-18	2018-19	2019-20 (up to Jan 2020)
Non-summary liquidation cases outsourced to PIPs	21	14	17

In the absence of any nomination by creditors and contributories, the next PIP firm admitted by the Administrative Panel Scheme on its roster will be nominated for taking up appointment of liquidator. Generally speaking, based on the actual work involved, the PIPs charge fees on a time cost basis from the assets realised. The Official Receiver's Office (ORO) does not maintain the value of realisable assets involved in each individual case.

- (2) The ORO will keep in view the number of new cases received and will consider appropriate possible measures such as streamlining its work procedures, wider adoption of information technology and where necessary, engagement of contract staff, to cope with any fluctuations and increase in caseloads.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)058

(Question Serial No. 2474)

Head: (116) Official Receiver's Office
Subhead (No. & title): (-) Not Specified
Programme: (1) Official Receiver's Office
Controlling Officer: Official Receiver (MCKENNA Phyllis)
Director of Bureau: Secretary for Financial Services and the Treasury

Question:

At paragraph 12 of the Budget Speech, Financial Secretary mentioned that Hong Kong economy, already hard hit by the social unrest, is entering a "hard winter". And the labour market is also subject to significant pressure. The statistics from the Official Receiver's Office (ORO) showed that the number of new bankruptcy cases in 2019 was 8006, higher than the 7401 cases in 2018.

- (1) Given that Hong Kong's economic situation continues to deteriorate and industries are bracing for a wave of wound-up enterprises and layoffs, has ORO estimated if the number of bankruptcy cases will surge in the new financial year as a result? If there is such evaluation and the result is a yes, are the existing establishment and financial resources sufficient for providing the high-quality services that have all along been provided to the general public? If there is no such evaluation, will it be conducted immediately?
- (2) It has been criticised by many citizens, for whom applying for bankruptcy is their "last resort", that they are required to pay almost ten-thousand dollars of administrative fee to ORO for the application. They suspected that the fee is overcharged. To reduce unnecessary expenses for citizens in need of bankruptcy, has the Government assessed the possibility of lowering the administration fee, or even waiving it in the new financial year, in response to the gloomy economy in which many citizens are losing their jobs and subject to great financial pressure?

Asked by: Hon TSE Wai-chun, Paul (LegCo internal reference no.: 43)

Reply:

- (1) The number of insolvency cases varies from time to time. While it is difficult to attribute the fluctuations to some specific factors, in general the number of new cases is likely to increase if the economic situation deteriorates and the unemployment rate increases, and vice versa. The number of bankruptcy cases in 2019 was 7 762. If the economic environment continues to deteriorate and the unemployment rate continues to rise, the Official Receiver's Office (ORO) envisages that the number in 2020 will increase accordingly.

The ORO will keep in view the number of new cases received and will consider appropriate possible measures such as streamlining its work procedures, wider adoption of information technology and where necessary, engagement of temporary staff, to cope with any fluctuations and increase in caseloads.

- (2) Rule 52 of the Bankruptcy Rules (Cap. 6A) provides that the debtor shall deposit a sum of \$8,000 with the ORO upon presentation of bankruptcy petition against himself. ORO does not have the discretionary power to waive or reduce the deposit.

The Government's established policy is that the fees charged should in general be set at levels adequate to recover the full costs of providing the services to ensure that the costs for providing the services do not fall on the general taxpayers. It is also a common international practice to require a debtor to pay a deposit upon presentation of bankruptcy petition against himself. The arrangements in Hong Kong are similar to those adopted in other jurisdictions such as the United Kingdom and Singapore. The current amount of deposit for debtor's bankruptcy petition against himself was revised in 2013 (from the then level of \$8,650 to \$8,000). The ORO will keep in view the cost recovery situation of the relevant services and will consider reviewing the deposit amount where necessary.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)059

(Question Serial No. 3823)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (000) Operational expenses

Programme: (-) Not Specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Will the Government inform this Committee of the reason for the large increase of \$37 million in hire of services and professional fees for 2020-21 as compared with the fees for 2019-20?

Asked by: Hon CHAN Chi-chuen (LegCo internal reference no.: 130)

Reply:

The estimated expenditure on hire of services and professional fees in 2020-21 will increase by about \$37 million as compared with the 2019-20 revised estimate. This is mainly due to the expenses on strengthening our publicity and promotion of Hong Kong's financial services industry both globally and in the Mainland.

In the coming year, apart from continuing our work on promoting the financial services industry on various fronts, we would enhance publicity support for the "Asian Financial Forum", "Hong Kong FinTech Week", and other relevant signature events, including inviting international speakers of repute to these events. The Financial Services Branch (or through supporting the work of the Financial Services Development Council) would also promote Hong Kong's competitiveness as a major international financial centre through media events, seminars, or events in partnership with industry associations and reputable organisations. We will consider hiring of international public relations or marketing consultants for research and strategic counsels in order to strengthen our advertising and marketing efforts globally and in the Mainland.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)060****(Question Serial No. 3824)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The Branch stated that the provision for this programme for 2020-21 is \$395.5 million (53.6%) higher than the revised estimate for 2019-20, mainly due to the increased cash flow requirement for non-recurrent commitment items, and anticipated increase in hire of services and professional fees and general departmental expenses. Would the Branch inform this Committee of the names of the non-recurrent commitment items under this programme in 2020-21, as well as the details and the expenses of these items?

Asked by: Hon CHAN Chi-chuen (LegCo internal reference no.: 131)

Reply:

The cash flow requirement of the general non-recurrent items for 2020-21 estimate will increase by about \$340.9 million as compared with the 2019-20 revised estimate, as set out below –

	General Non-recurrent Item	Commitment (\$'000)	Changes in cash-flow requirement (\$'000)
1	Funding for promoting and facilitating the development of the financial services sector	500,000	+22,196
2	Funding requirements for the eMPF Platform for the administration of Mandatory Provident Fund registered schemes	3,903,630	+414,788

	General Non-recurrent Item	Commitment (\$'000)	Changes in cash-flow requirement (\$'000)
3	One-off funding for promoting and facilitating the development of the insurance industry in Hong Kong (New item created in 2020-21 estimates)	300,000	+300,000
4	Pilot programme to enhance talent training for the insurance sector and the asset and wealth management sector	100,000	+3,902
5	One-off provision of seed capital to the Financial Reporting Council in 2019-20	400,000	-400,000
	Total	5,203,630	+340,886

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)061****(Question Serial No. 4114)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the target to “continue to promote the development of the bond market” in Hong Kong:

1. please set out, in table form, the details of the Pilot Bond Grant Scheme (PBGS) since its launch, including the issuers, the issuance size (US\$ million), the tenor (year) and the coupon rate, in the past 3 years.

Year	Issuers	Issuance Size (US\$ million)	Tenor (Year)	Coupon Rate

2. please inform this Committee of the credit rating, major line of business and default risk of each issuer under the PBGS in the past 3 years.

Year	Issuers	Credit Rating	Major Line of Business	Default Risk

Asked by: Hon CHAN Tanya (LegCo internal reference no.: 77)

Reply:

The PBGS seeks to attract new issuers to issue bonds in Hong Kong. Since the launch of the Scheme in May 2018, 52 applications have been approved, involving a total issuance size of about US\$ 17.5 billion.

Under the PBGS, an applicant will receive a grant if the specified eligibility criteria are met. In line with market practices, it is not a prerequisite for an applicant to obtain a credit rating. If an applicant possesses credit rating recognized under the Scheme, the applicant may receive a higher amount of grant to cover the cost of obtaining credit rating. As applicants are not required to submit information relating to their major line of business or default risk, etc, we are not in a position to provide the requisite information. Details of the approved applications under the PBGS since launch are at the **Annex**.

Applications Approved under the Pilot Bond Grant Scheme (May 2018 to February 2020)

Year of Issuance	Issuer	Size (US\$ million)	Tenor (Year)	Coupon Rate	Credit Rating Note
2018	China Huadian Overseas Development 2018 Limited	600	5	3.88%	Fitch: A Moody's: A2
2018	Zhenro Properties Group Limited	250	2	10.50%	Moody's: B3
2018	SF Holding Investment Limited	500	5	4.13%	Fitch: A- Moody's: A3 S&P: A-
2018	Wuhan Real Estate Development & Investment Group	430	2	5.70%	Moody's: Baa3 S&P: BBB-
2018	Lingang Wings Inc	300	3	4.63%	Fitch: A- Moody's: Baa1 S&P: BBB+
2018	Granda Century Limited	300	3	7.50%	Unrated
2018	Zhejiang Baron (BVI) Company Limited	200	3	6.80%	Unrated
2018	SCIG International Financial Limited	300	3	4.63%	Fitch: A- Moody's: Baa1
2018	Chengdu Hi-Tech Investment Group Co. Ltd.	300	3	6.28%	Moody's: Baa3
2018	Hunan Xiangjiang New Area Development Group Co. Ltd	300	3	5.70%	Fitch: BBB Moody's: Baa3
2018	Taizhou Infrastructure Construction Investment Group Co. Ltd	300	3	5.80%	Fitch: BBB-
2018	Weifang Urban Construction and Development Investment Group Co.	250	3	6.50%	Fitch: BBB-
2018	Huaibei City Construction Investment Holding Group Company Limited	300	3	5.20%	Unrated
2018	Sichuan Communications Overseas Development Co., Ltd	350	3	4.75%	Fitch: A-
2018	Zhengzhou Metro Group	500	3	5.00%	Fitch: A- Moody's: A3
2019	GLP China Holding Limited	500	5	4.97%	S&P: BBB-
2019	CMOC Capital Limited	300	3	5.48%	Unrated
2019	Chongqing Energy Investment Group Co. Ltd	500	3	5.63%	Fitch: BBB+
2019	Jiangxi Railway Investment Group Corporation	300	3	4.85%	Fitch: A-

Year of Issuance	Issuer	Size (US\$ million)	Tenor (Year)	Coupon Rate	Credit Rating Note
2019	Mei Nian Investment Limited	200	2	7.75%	Fitch: BB+ Moody's: Ba2
2019	Xinjiang Financial Investment Co., Ltd.	200	3	7.50%	Fitch: BB+
2019	Zhaojin Mining International Finance Limited	300	3	5.50%	Fitch: BB S&P: BB+
2019	Huai'an Water Conservancy Holding Group Co., Ltd.	300	3	6.20%	Unrated
2018 and 2019	Yichang High-Tech Investment Development Co., Ltd.	200	3	7.50%	Fitch: BB+
2019	Chengdu Tianfu New Area Investment Group Co., Ltd	300	5	4.65%	Fitch: BBB Moody's: Baa3
2019	Granda Century Limited	235	3	7.50%	Unrated
2019	Xinjiang Zhongtai (Group) Co., Ltd.	380	3	7.00%	Fitch: BB+ S&P: BB+
2019	China Huadian Overseas Development Management Company Ltd.	500	Perpetual	4.00%	Moody's: Aa2
2019	Pingxiang Urban Construction Investment Developing Company	300	3	4.95%	Unrated
2019	Jinke Property Group Co., Ltd.	300	2	8.38%	Moody's: B2 S&P: B
2018 and 2019	Zhuji Development Limited	500	3	7.00%	Moody's: Baa3
2019	GET International Investment Holdings Limited	500	3	3.75%	Fitch: BBB+ Moody's: Baa1
2019	Kunming Dianchi Investment Company Limited	300	3	6.60%	Unrated
2019	Dalian Deta Holdings Co., Ltd.	300	3	5.95%	Fitch: BBB-
2019	Kunming Traffic Investment Co., Ltd.	300	3	6.20%	Fitch: BBB-
2019	Liang Shan International Development Limited	300	3	7.00%	Fitch: BB
2019	Chengdu Airport Xingcheng Investment Group Co., Ltd.	500	3	6.50%	Fitch: BB
2019	Yangzhou Economic and Technological Development Zone Development Corporation	300	3	5.50%	Moody's: Ba1
2019	Dexin China Holdings Company Limited	200	2	12.88%	Moody's: B3 S&P: B-
2019	Guohui International (BVI) Co., Ltd.	800	3	4.37%	Fitch: BBB+
2019	Chengdu Economic and Technological Development Zone Construction and Development Co., Ltd.	200	3	6.40%	Unrated
2019	Zhengzhou Urban Construction Investment Group Co., Ltd.	300	3	3.80%	Fitch: BBB+

Year of Issuance	Issuer	Size (US\$ million)	Tenor (Year)	Coupon Rate	Credit Rating Note
2019	Qingdao Jimo District Urban Development Investment Co. Ltd.	300	3	4.90%	Unrated
2019	Xi'an Qujiang Culture Holdings Co., Ltd.	200	3	6.00%	Unrated
2019	Jinan Hi-Tech Holding Group Co. Ltd	300	3	4.50%	Unrated
2019	Shuifa International Holdings (BVI) Co., Ltd	400	3	4.15%	Moody's: Baa3
2019	Zhongliang Holdings Group Company Limited	300	2	11.50%	Fitch: B+ Moody's: B2
2019	Chongqing Hechuan City Construction Investment (Group) Co., Ltd.	300	3	6.30%	Fitch: BB+
2019	Changde Economic Construction Investment Group Co., Ltd	200	3	6.60%	Moody's: Ba1
2019	AAC Technologies Holdings Inc.	388	5	3.00%	Moody's: Baa1
2019	Yichun Development Investment HaiTong Co., Limited	300	3	4.20%	Unrated
2019	Guangxi Liuzhou Dongcheng Investment Development Group Co., Ltd.	300	3	7.00%	Fitch: BB

Note: Credit rating of the bond, its issuer or its guarantor by Fitch Ratings (“Fitch”), Moody’s Investors Service (“Moody’s”), Rating and Investment Information, Inc, and S&P Global Ratings (“S&P”) as provided by the concerned issuer

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)062****(Question Serial No. 4116)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

- 1) In respect of the enterprises listed in Hong Kong as at end March 2020, please tabulate by sector (i) their number, (ii) their market capitalisation, (iii) the percentage share of Chinese enterprises in terms of number and (iv) the percentage share of Chinese enterprises in terms of market capitalisation.

	Total number of listed enterprises	Total market capitalisation	Percentage share of Chinese enterprises in terms of number	Percentage share of Chinese enterprises in terms of market capitalisation
Sector				
Total				

- 2) Please provide by sector (i) the number of listed enterprises (including Chinese and non-Chinese enterprises) and (ii) their market capitalisation in each of the past 5 years.

	2015 (i), (ii)	2016 (i), (ii)	2017 (i), (ii)	2018 (i), (ii)	2019 (i), (ii)
Sector					
Total					

Asked by: Hon CHAN Tanya (LegCo internal reference no.: 79)

Reply:

According to the Hong Kong Exchanges and Clearing Limited (HKEX), there were 2 466 companies listed in Hong Kong as at end-February 2020. The number and market capitalisation of these enterprises by sector, as well as the percentage share of Mainland enterprises, are at **Annex A**. The figures relating to enterprises listed in Hong Kong over the past 5 years are at **Annex B**.

**Number and Market Capitalisation of Enterprises Listed in Hong Kong and
Percentage Share of Mainland Enterprises (as at end-February 2020)**

Industry Sector ⁽¹⁾	Total Number of Enterprises	Share of Mainland Enterprises ⁽³⁾	Total Market Capitalisation (million dollars) ⁽²⁾	Share of Mainland Enterprises ⁽³⁾
Energy	81	63%	879,180	98%
Materials	145	66%	459,339	74%
Industrials	293	58%	1,106,920	90%
Consumer Staples ⁽¹⁾	123	60%	1,540,649	55%
Consumer Discretionary ⁽¹⁾	644	40%	3,792,278	54%
Healthcare ⁽¹⁾	143	62%	1,688,806	89%
Telecommunications	16	50%	1,742,962	91%
Utilities	81	78%	1,652,283	50%
Financials	231	52%	7,934,427	61%
Properties & Construction	462	43%	5,058,838	64%
Information Technology	221	53%	9,561,804	98%
Conglomerates	26	46%	789,929	46%
Total	2 466	51%	36,207,417	74%

Source: HKEX

Notes:

- (1) The industry sectors are based on the Hang Seng Industry Classification System. The two sectors of “Consumer Goods” and “Consumer Services” have been reorganised into three new sectors, namely “Consumer Discretionary”, “Consumer Staples” and “Healthcare industries” with effect from 9 September 2019.
- (2) The figures on market capitalisation by sector do not add up to the total due to rounding.
- (3) Mainland Enterprises include the following –
 - Mainland private enterprises (i.e. enterprises that are incorporated outside of the Mainland and are controlled by Mainland individuals);
 - H-share enterprises (i.e. enterprises that are incorporated in the Mainland which are either controlled by Mainland Government entities or individuals); and
 - Red chip enterprises (i.e. enterprises that are incorporated outside of the Mainland and are controlled by Mainland Government entities).

Number and Market Capitalisation of Enterprises Newly-Listed in Hong Kong by Year (2015 to 2019)

Industry Sector ⁽¹⁾	2015		2016		2017		2018		2019	
	Number	Market Capitalisation (million dollars) ⁽²⁾	Number	Market Capitalisation (million dollars) ⁽²⁾	Number	Market Capitalisation (million dollars) ⁽²⁾	Number	Market Capitalisation (million dollars) ⁽²⁾	Number	Market Capitalisation (million dollars) ⁽²⁾
Energy	1	3,770	1	7,855	3	1,312	5	30,806	2	2,468
Materials	6	8,766	3	4,368	2	1,784	6	11,009	4	11,880
Industrials	11	24,632	16	11,181	22	14,794	23	12,015	22	21,626
Consumer Goods ⁽¹⁾	35	236,362	20	137,245	30	98,414	46	154,576	N.A.	N.A.
Consumer Services ⁽¹⁾	16	23,127	23	69,546	33	72,558	39	228,965	N.A.	N.A.
Consumer Staples ⁽¹⁾	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	7	447,582
Consumer Discretionary ⁽¹⁾	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	57	223,709
Healthcare ⁽¹⁾	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	18	267,256
Telecommunications	1	9,936	-	-	1	1,292	1	69,063	-	-
Utilities	4	7,700	2	14,585	4	17,367	6	6,849	4	19,466
Financials	17	242,410	15	164,202	17	136,686	16	43,815	12	94,670
Properties & Construction	23	303,445	29	85,872	48	193,078	50	143,295	40	101,466
Information Technology	11	29,169	15	61,133	14	155,674	26	591,354	17	4,477,235
Conglomerates	1	14,068	1	631	-	-	-	-	-	-
Total	126	903,385	125	556,617	174	692,960	218	1,291,746	183	5,667,358

Source: HKEX

Notes:

- (1) The industry sectors are based on the Hang Seng Industry Classification System. The two sectors of “Consumer Goods” and “Consumer Services” have been reorganised into three new sectors, namely “Consumer Discretionary”, “Consumer Staples” and “Healthcare industries” with effect from 9 September 2019.
- (2) The figures on market capitalisation by sector do not add up to the total due to rounding.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)063

(Question Serial No. 4458)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the work in relation to the Code on Access to Information, will the Government advise this Committee on the following:

- Concerning the requests for information under the Code on Access to Information received by the Financial Services and the Treasury Bureau (Financial Services Branch) from October 2018 to present for which only some of the required information has been provided, please state in table form: (i) the content of the requests for which only some of the required information has been provided; (ii) the reasons for providing some of the information only; (iii) whether the decision on withholding some of the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines on Interpretation and Application); (iv) whether the decision on withholding some of the information was made subject to a "harm or prejudice test", i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines on Interpretation and Application)? If yes, please provide the details of how the requests have been handled eventually.

From October to December 2018

(i) Content of the requests for which only some of the required information was provided	(ii) Reasons for providing some of the information only	(iii) Whether the decision on withholding some of the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines on Interpretation and Application)	(iv) Whether the decision on withholding some of the information was made subject to a "harm or prejudice test", i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines on Interpretation and Application). If yes, please provide the details.

2019

(i) Content of the requests for which only some of the required information was provided	(ii) Reasons for providing some of the information only	(iii) Whether the decision on withholding some of the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines on Interpretation and Application)	(iv) Whether the decision on withholding some of the information was made subject to a “harm or prejudice test”, i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines on Interpretation and Application). If yes, please provide the details.

2. Concerning the requests for information under the Code on Access to Information received by the Financial Services and the Treasury Bureau (Financial Services Branch) from October 2018 to present for which the required information has not been provided, please state in table form: (i) the content of the requests refused; (ii) the reasons for refusal; (iii) whether the decision on withholding the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines on Interpretation and Application); (iv) whether the decision on withholding the information was made subject to a “harm or prejudice test”, i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines on Interpretation and Application)? If yes, please provide the details of how the requests have been handled eventually.

From October to December 2018

(i) Content of the requests refused	(ii) Reasons for refusal	(iii) Whether the decision on withholding the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines on Interpretation and Application)	(iv) Whether the decision on withholding the information was made subject to a “harm or prejudice test”, i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines on Interpretation and Application). If yes, please provide the details.

2019

(i) Content of the requests refused	(ii) Reasons for refusal	(iii) Whether the decision on withholding the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines on Interpretation and Application)	(iv) Whether the decision on withholding the information was made subject to a “harm or prejudice test”, i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines on Interpretation and Application). If yes, please provide the details.

		Interpretation and Application)	Application). If yes, please provide the details.

3. Any person who believes that a department has failed to comply with any provision of the Code on Access to Information may ask the department to review the situation. Please advise this Committee in each of the past 5 years, (i) the number of review cases received; (ii) the number of cases, among the review cases received in the year, in which further information was disclosed after review; (iii) whether the decisions on review were made at the directorate (D1 or D2) level.

Year in which review cases were received	(i) Number of review cases received	(ii) Number of cases, among the review cases received in the year, in which further information was disclosed after review	(iii) Whether the decisions on review were made at the directorate (D1 or D2) level
2015			
2016			
2017			
2018			
2019			

4. With reference to the target response times set out in paragraphs 1.16.1 to 1.19.1 of Guidelines on Interpretation and Application of the Code on Access to Information, please advise this Committee on the following information by year in table form (with text descriptions).

(a) Within 10 days from date of receipt of a written request:

	Number of requests for which the information requested was provided	Number of requests involving third party information for which the information requested could not be provided	Number of requests for which the information requested could not be provided since the requests had to be transferred to another department which held the information under request	Number of requests for information which were refused under the exemption provisions in Part 2 of the Code on Access to Information	Number of applications which the applicants indicated that they did not wish to proceed with and withdrew since they did not accept the charge
2020					
2019					
2018					
2017					
2016					

Within 10 to 21 days from date of receipt of a written request:

	Number of requests for which the information requested	Number of requests involving third party information	Number of requests for which the information requested could	Number of requests for information which were refused	Number of applications which the applicants indicated that

	was provided	for which the information requested could not be provided	not be provided since the requests had to be transferred to another department which held the information under request	under the exemption provisions in Part 2 of the Code on Access to Information	they did not wish to proceed with and withdrew since they did not accept the charge
2020					
2019					
2018					
2017					
2016					

Within 21 to 51 days from date of receipt of a written request:

	Number of requests for which the information requested was provided	Number of requests involving third party information for which the information requested could not be provided	Number of requests for which the information requested could not be provided since the requests had to be transferred to another department which held the information under request	Number of requests for information which were refused under the exemption provisions in Part 2 of the Code on Access to Information	Number of applications which the applicants indicated that they did not wish to proceed with and withdrew since they did not accept the charge
2020					
2019					
2018					
2017					
2016					

(b) cases in which information could not be provided within 21 days from date of receipt of a request in the past 5 years:

Date	Subject of information requested	Specific reason

(c) cases in which information could not be provided within 51 days from date of receipt of a request in the past 5 years:

Date	Subject of information requested	Specific reason

5. Please state in table form the number of those, among the cases in which requests for information were refused under the exemption provisions in Part 2 of the Code on Access to Information, on which the Privacy Commissioner for Personal Data was consulted when they were being handled in the past 5 years. For cases on which advice had been sought, was it fully accepted in the end? For cases where the advice of the Privacy Commissioner for Personal Data was not accepted or was only partially accepted, what are the reasons?

Date	Subject	Particular exemption provision in Part 2 of the Code on Access to Information under which requests for information were refused	Whether the advice of the Privacy Commissioner for Personal Data was fully accepted	Reasons for refusing to accept or only partially accepting the advice of the Privacy Commissioner for Personal Data

Asked by: Hon CHAN Tanya (LegCo internal reference no.: 363)

Reply:

- 1) From October 2018 to December 2019, none of the requests for information made under the Code on Access to Information (the Code) to the Financial Services and the Treasury Bureau (Financial Services Branch) (FSTB(FSB)) was met in part.
- 2) From October 2018 to December 2019, none of the requests for information made under the Code to FSTB(FSB) was refused.
- 3) From 2015 to 2019, FSTB(FSB) did not receive any request for review.
- 4)(a) Relevant information for the period from 2016 to 2019 is set out below while information for 2020 is not available.

Year	Number of requests for which the information requested was provided	Number of requests involving third party information for which the information requested could not be provided	Number of requests for which the information requested could not be provided since the requests had to be transferred to another department which held the information under request	Number of requests for information which were refused under the exemption provisions in Part 2 of the Code	Number of applications which the applicants indicated that they did not wish to proceed with and withdrew since they did not accept the charge
<i>(i) Within 10 days from the date of receipt of a written request:</i>					
2019	0	0	1	0	0
2018	2	0	0	0	0
2017	0	0	0	0	0
2016	0	0	0	0	0
<i>(ii) Within 10 to 21 days from the date of receipt of a written request:</i>					
2019	1	0	0	0	0
2018	0	0	0	0	0

2017	0	0	0	0	0
2016	0	0	0	0	0
<i>(iii) Within 21 to 51 days from the date of receipt of a written request:</i>					
2019	0	0	0	0	0
2018	0	0	0	0	0
2017	0	0	0	0	0
2016	0	0	0	0	0

- (b) From 2016 to 2019, none of the requests for information made under the Code to FSTB(FSB) could not be responded to within 21 days from the date of receipt.
- (c) From 2016 to 2019, none of the requests for information made under the Code to FSTB(FSB) could not be responded to within 51 days from the date of receipt.
- 5) From 2016 to 2019, there was no case in which request for information was refused by FSTB(FSB) under the exemption provisions in Part 2 of the Code on Access to Information.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)064****(Question Serial No. 5609)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (700) General non-recurrent

Programme: (-) Not Specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

What are the estimated expenditures and work plans for “807 Funding requirements for the eMPF Platform for the administration of Mandatory Provident Fund registered schemes”, “808 Funding for promoting and facilitating the development of the insurance industry in Hong Kong” and new item(s)? Why is it necessary to seek funding for these items from the Legislative Council (LegCo) in the context of the Appropriation Bill? While this is not a new arrangement, why is funding not separately sought from the Finance Committee of the LegCo?

Asked by: Hon CHEUNG Chiu-hung, Fernando (LegCo internal reference no.: 846)

Reply:

Details of the estimated expenditure and work plan for the relevant items are as follows –

	Item	2020-21 Estimate \$'000	Work Plan
1	Funding requirements for the eMPF Platform for the administration of Mandatory Provident Fund registered schemes	414,788	The Mandatory Provident Fund Schemes Authority issued the Request for Proposal for the eMPF Platform in December 2019, with a view to awarding the tender in the second half of 2020. Subject to the result of the tendering exercise, it remains our target to have the eMPF Platform ready by 2022 at the earliest and the on-boarding to the eMPF Platform by all trustees by phases in the subsequent two to three years.
2	Funding for	300,000	The Government proposes to provide

	Item	2020-21 Estimate \$'000	Work Plan
	promoting and facilitating the development of the insurance industry in Hong Kong		<p>funding of \$300 million to the Insurance Authority (IA) in 2020-21 to assist the IA to tide over its projected cash shortfall in the short to medium term and maintain an appropriate level of reserve. With the proposed funding, the IA will have adequate resources to dedicate its efforts in promoting and facilitating the development of the insurance industry.</p> <p>In the coming years, the IA will assist the Government in taking forward a number of initiatives to strengthen Hong Kong's position as an international insurance hub and a risk management centre. These initiatives include promoting Hong Kong as a preferred base for issuance of insurance-linked securities and for setting up of captive insurers, enhancing group-wide supervision for large insurance groups, preparing for the establishment of a policyholder protection scheme and facilitating the insurance industry to capitalize on the business opportunities arising from the development of the Guangdong-Hong Kong-Macao Greater Bay Area and the "Belt and Road" initiative.</p>

The arrangement to include in the draft Estimates funding proposals for creating commitments or increasing expenditure ceilings for approved commitment items under the General Revenue Account for scrutiny and approval by the LegCo in the context of the Appropriation Bill is in line with the requirements under sections 5 and 6 of the Public Finance Ordinance. The Government explained the relevant arrangement to the Finance Committee in early 2015. In this particular case, before the above funding proposals were included in the draft Estimates, we briefed the LegCo Panel on Financial Affairs in December 2019 and Members were supportive of the proposals generally. We have also included the necessary provision for these proposals under the relevant head and subheads of expenditure, as well as provided appropriate information in the Controlling Officer's Report to facilitate Members' consideration.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)065****(Question Serial No. 6682)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (1) Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the work to “continue to promote the development of green finance in Hong Kong”:

1. what were the respective numbers of green bonds issued by public and private issuers in Hong Kong in the past 3 years? What were the annual total issuance amounts and average issuance amounts concerned?
2. what are the details of the applications approved under the Green Bond Grant Scheme last year, including a) the applying institutions/issuers; b) the grants under application; c) the amounts; d) the amounts of grants approved; e) the issuance sizes; f) the tenors; and g) the bond yields?

Asked by: Hon CHU Hoi-dick (LegCo internal reference no.: 6002)

Reply:

The annual total issuance amounts of green bonds arranged and issued in Hong Kong in 2016- 2018 are set out below –

Year	Annual total issuance amount (US\$ billion)
2016	1.6
2017	3.2
2018	10.8

Relevant figures for 2019 are not yet available. Among the total amount of green bonds arranged and issued in 2018, corporates, financial institutions and multilateral development banks accounted for 49%, 36% and 15% respectively.

Since June 2018, the Green Bond Grant Scheme has been implemented and is valid for a period of 3 years to support eligible green bond issuers in obtaining certification under the

Green Finance Certification Scheme administered by the Hong Kong Quality Assurance Agency. In 2019, a total of 13 applications have been approved. Details are at the **Annex**.

Applications Approved under the Green Bond Grant Scheme in 2019

Issuer	Applied Grant Amount (HK\$)	Approved Grant Amount (HK\$)	Issuance Size (US\$ million)	Tenor (Year)	Coupon Rate
New World China Land Limited	87,000	87,000	310	5	4.750%
Link 2019 CB Limited	100,000	100,000	513*	5	1.600%
China Construction Bank Corporation (Hong Kong Branch)	572,125	572,125	1,000	3	LIBOR+75 bps
China Construction Bank Corporation (Luxembourg Branch)	767,125	767,125	568 [#]	3	EURIBOR+60 bps
Industrial and Commercial Bank of China (Asia) Limited	119,500	119,500	333*	2	3.000%
Industrial and Commercial Bank of China (Asia) Limited	119,500	119,500	200	3	LIBOR+75 bps
Industrial and Commercial Bank of China (Asia) Limited	119,500	119,500	200	5	LIBOR+85 bps
Rongshi International Holding Company Limited	87,000	87,000	500	5	3.250%
Industrial and Commercial Bank of China Limited (Hong Kong Branch)	113,000	113,000	1,000	3	LIBOR+67 bps
Industrial and Commercial Bank of China Limited (Hong Kong Branch)	48,000	48,000	1,000	5	LIBOR+78 bps
Industrial and Commercial Bank of China Limited (Hong Kong Branch)	48,000	48,000	513*	2	2.200%
Industrial and Commercial Bank of China Limited (Hong Kong Branch)	48,000	48,000	144 [^]	1	3.100%
Industrial and Commercial Bank of China Limited (Hong Kong Branch)	48,000	48,000	500	3	2.250%

Notes

*: Converted at an exchange rate of HK\$7.8/US\$1

#: Converted at an exchange rate of EUR0.88/US\$1

^: Converted at an exchange rate of RMB6.95/US\$1

LIBOR: London Interbank Offered Rate

EURIBOR: Euro Interbank Offered Rate

– End –

CONTROLLING OFFICER'S REPLY**FSTB(FS)066****(Question Serial No. 6756)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not specified

Programme: (-) Not specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the regulation of financial intermediaries by the Consumer Council, please inform this Committee of the following:

1. The number of money lenders for the past 5 years;
2. The number of finance institutions hiring financial intermediaries for the past 5 years;
3. The consumer lending market in Hong Kong has been growing rapidly but there is no relevant regulatory provision under the Money Lenders Ordinance. The requirements in relation to money-lending advertisements and vetting of licences are not in keeping with the times. Will the Government consider any means to plug this loophole so as to curb the prevalence of borrowing? If yes, what are the details? If not, what are the reasons?

Asked by: Hon MAK Mei-kuen, Alice (LegCo internal reference no.: 20)

Reply:

1 and 2 The number of licensed money lenders and the number of licensed money lenders who have appointed third parties as their intermediaries in the past 5 years are as follows:

Year⁽¹⁾	2016	2017	2018	2019	2020
Number of licensed money lenders	1 690	1 875	2 051	2 199	2 322
Number of licensed money lenders who have appointed third parties as their intermediaries	N.A. ⁽²⁾	239	323	387	415

Notes:

- (1) Figures for 2016 to 2019 are as at 31 March of that year, while the figure for 2020 is as at 31 January.

- (2) The registration of third parties appointed by licensed money lenders in relation to the granting of loans commenced on 1 December 2016.

The list of licensed money lenders who have appointed third parties as their intermediaries is available on the Companies Registry website for public inspection:

<https://www.cr.gov.hk/en/services/money-lenders/search/third-parties-search.htm>.

3. The Government has been monitoring the money lending sector in order to review and improve the regulation on licensed money lenders. Since 2016, the Government has been stepping up its efforts in addressing the concerns about money lenders using a four-pronged approach namely, enhanced enforcement by the Police, imposition of more stringent licensing conditions on money lenders under the Money Lenders Ordinance, enhanced public education and publicity, and enhanced advisory services to the public. The Government will continue to closely monitor the latest developments of the money lending market and consider further enhancement measures including tightening the regulation of the money lenders as and when necessary.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)067

(Question Serial No. 6053)

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

- a. Please set out the quantity, value and stock of surgical masks produced by the Correctional Services Department (CSI masks) that the Financial Services and the Treasury Bureau (FSTB) obtained from the Government Logistics Department (GLD) each month in the past 3 years in the following table:

Month/Year	No. of CSI masks obtained	Value of CSI masks obtained	Stock of CSI masks

- b. Please set out the quantity, value, stock and consumption of surgical masks that the FSTB obtained from the GLD or procured each month in the past 3 years in the following table:

Month/Year	No. of surgical masks obtained from GLD (value)	No. of surgical masks procured (value)	Stock	Consumption

- c. Please set out the quantity, value, stock and consumption of N95 masks that the FSTB obtained from the GLD or procured each month in the past 3 years in the following table:

Month/Year	No. of N95 masks obtained from GLD (value)	No. of N95 masks procured (value)	Stock	Consumption

- d. Please set out the quantity, value, stock and consumption of gowns that the FSTB obtained from the GLD or procured each month in the past 3 years in the following table:

Month/Year	No. of gowns obtained from GLD (value)	No. of gowns procured (value)	Stock	Consumption

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- e. Please set out the quantity, value, stock and consumption of protective coverall suits that the FSTB obtained from the GLD or procured each month in the past 3 years in the following table:

Month/Year	No. of protective coverall suits obtained from GLD (value)	No. of protective coverall suits procured (value)	Stock	Consumption

- f. Please set out the quantity, value, stock and consumption of face shields that the FSTB obtained from the GLD or procured each month in the past 3 years in the following table:

Month/Year	No. of face shields procured	Value of face shields procured	Stock of face shields	Consumption

- g. Please set out the quantity, value, stock and consumption of goggles that the FSTB obtained from the GLD or procured each month in the past 3 years in the following table:

Month/Year	No. of goggles procured	Value of goggles procured	Stock of goggles	Consumption

- h. Did the FSTB supply or sell surgical masks, N95 masks, face shields, goggles, gowns and protective coverall suits to other organisations in the past 3 years? If yes, please provide the relevant information, including the quantity, consumption and stock, in the following table:

Month/Year	Name of organisations	Manner of provision (e.g. sold or supplied for free)	Surgical masks	N95 masks	Face shields	Goggles	Gowns	Protective coverall suits

- i. If the FSTB is to supply or sell surgical masks, N95 masks, face shields, goggles, gowns and protective coverall suits to other organisations, what are the departments and the ranks of the officers responsible for making such decisions? Please provide the ranks of the officers involved in each decision, the date they made the decision and other relevant information.

Asked by: Hon MO Claudia (LegCo internal reference no.: 142)

Reply:

In light of the surging global demand for personal protective equipment (PPE), the Government is facing intense competition in the procurement work. At this stage, it is considered not appropriate for departments to publicly disclose specific information relating to PPE, such as the stock, procurement quantity, price and consumption in order not to weaken the bargaining power of the Government Logistics Department and individual

departments when they make the procurement. The Financial Services Branch has not provided any PPE to other organisations.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)068****(Question Serial No. 6840)**

Head: (148) Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)

Subhead (No. & title): (-) Not Specified

Programme: (-) Not Specified

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services) (Ms Michelle LI)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

As regards "supporting small and medium enterprises (SMEs)", please advise on the following:

1. the figures on SMEs's (a) deregistration; and (b) filing of bankruptcy petitions to the Official Receiver's Office by quarter and sector since last year; and
2. figures of the above two items by month since January 2020.

Asked by: Hon WU Chi-wai (LegCo internal reference no.: 32)

Reply:

1. (a) In 2019, the number of applications for deregistration of companies under section 750 of the Companies Ordinance (Cap. 622) is as follows –

Quarter	No. of applications for deregistration of companies
1st quarter	18 486
2nd quarter	18 358
3rd quarter	17 256
4th quarter	16 640
Year Total	70 740

As the Companies Ordinance does not require companies to report their turnover and business sector, the Companies Registry does not maintain statistics on the size and sector of the relevant companies.

- (b) The Official Receiver's Office (ORO) maintains records of compulsory winding-up cases for limited companies and bankruptcy cases for sole traders and partners of business. The relevant figures of 2019 are as follows –

Quarter	No. of winding-up petitions	No. of bankruptcy petitions (for sole traders and partners of business)
1st quarter	92	70
2nd quarter	110	62
3rd quarter	100	71
4th quarter	117	99
Year Total	419	302

The ORO does not maintain statistics on the number of petitions by size and sector of the relevant companies.

2. For January and February 2020, the number of applications for deregistration of companies is 4 631 and 3 507 respectively.

For January 2020, the number of winding-up petitions and the number of bankruptcy petitions for sole traders and partners of business are 42 and 29 respectively. Due to the special working arrangement of the Judiciary starting from 29 January 2020, both figures for February 2020 are 0.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)069****(Question Serial No. 4279)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (2) Social StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

1. Will the Census and Statistics Department (C&SD) increase the manpower and financial provision in 2020-21 to enhance the accuracy of data verification of the General Household Survey? What are the details, estimated expenditure and manpower involved?
2. Please provide the details of tablet computers (tablets) procured for conducting surveys on social statistics by C&SD in the past 5 years, as set out in the table below:

Year	Number of tablets purchased	Brand and model of tablets	Number of damaged tablets	Maintenance costs of tablets	Number of tablets that are still in use
2016-2017					
2017-2018					
2018-2019					
2019-2020					
2020-2021					

3. Please advise on the brand, model, number of and expenditure on tablets to be procured for conducting surveys on social statistics by C&SD in 2020-21.

Asked by: Hon CHAN Tanya (LegCo internal reference no.: 245)Reply:

1. In 2020-21, the Census and Statistics Department (C&SD) will deploy existing resources to further strengthen the data verification measures of the General Household Survey to ensure accuracy of data. The measures include increasing the proportion of in-depth quality checks, enhancing the follow-up on non-contact cases due to wrong/no telephone numbers identified in in-depth quality checks, as well as enhancing the checks on enumerated cases with duplicate telephone numbers but different addresses.
2. Details of tablet computers (tablets) procured or to be procured by C&SD for conducting surveys on social statistics from 2016-17 to 2020-21 are as follows -

Year	Number of tablets purchased	Brand and model of tablets	Number of damaged tablets	Maintenance costs of tablets	Number of tablets that are still in use
2016-17	-	-	-	-	-
2017-18	-	-	-	-	-
2018-19	-	-	-	-	-
2019-20	16 ⁽¹⁾	Samsung and Apple ⁽²⁾	-	-	16
2020-21	360 ⁽¹⁾ (planned)	To be determined	Not applicable		

- Notes: (1) The tablets are used for conducting the Pilot Survey for the 2021 Population Census and relevant system development and testing.
(2) Models include Samsung Galaxy Tab A 8”, Samsung Galaxy Tab S5e and Apple iPad Air 10.5”.

3. In 2020-21, C&SD plans to procure 360 tablets with an estimated expenditure of \$1,050,000 for conducting the Pilot Survey for the 2021 Population Census and relevant system development and testing. The brand and model of the tablets will only be known after the procurement exercise is completed.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)070****(Question Serial No. 4852)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (-) Not specifiedControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Regarding the work in relation to the Code on Access to Information (the Code), will the Government advise this Committee on the following:

- 1) Concerning the requests for information under the Code received by the Census and Statistics Department (C&SD) from October 2018 to present for which only some of the required information has been provided, please state in table form: (i) the content of the requests for which only some of the required information has been provided; (ii) the reasons for providing some of the information only; (iii) whether the decision to refuse to disclose some of the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines on Interpretation and Application (the Guidelines)); (iv) whether the decision to refuse to disclose some of the information was made subject to a "harm or prejudice test", i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines). If yes, please provide the details.

From October to December 2018

(i) Content of the requests for which only some of the required information was provided	(ii) Reasons for providing some of the information only	(iii) Whether the decision to refuse to disclose some of the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines)	(iv) Whether the decision to refuse to disclose some of the information was made subject to a "harm or prejudice test", i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines). If yes, please provide the details.

2019

(i) Content of the requests for	(ii) Reasons for	(iii) Whether the decision to refuse to disclose some	(iv) Whether the decision to refuse to disclose some of the information was made subject to a "harm or

which only some of the required information was provided	providing some of the information only	of the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines)	prejudice test”, i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines). If yes, please provide the details.

2) Concerning the requests for information under the Code received by C&SD from October 2018 to present for which the required information has not been provided, please state in table form: (i) the content of the requests refused; (ii) the reasons for refusal; (iii) whether the decision to refuse to disclose the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines); (iv) whether the decision to refuse to disclose the information was made subject to a “harm or prejudice test”, i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines). If yes, please provide the details.

From October to December 2018

(i) Content of the requests refused	(ii) Reasons for refusal	(iii) Whether the decision to refuse to disclose the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines)	(iv) Whether the decision to refuse to disclose the information was made subject to a “harm or prejudice test”, i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines). If yes, please provide the details

2019

(i) Content of the requests refused	(ii) Reasons for refusal	(iii) Whether the decision to refuse to disclose the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines)	(iv) Whether the decision to refuse to disclose the information was made subject to a “harm or prejudice test”, i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines). If yes, please provide the details

3) Any person who believes that a department has failed to comply with any provision of the Code may ask the department to review the situation. Please advise this Committee in each of the past 5 years, (i) of the number of requests for review received; (ii) of the number of requests, among the review requests received in the year, in which further information was disclosed after review; and (iii) whether the decisions on review were made at the directorate (D1 or D2) level.

Year in which	(i) Number	(ii) Number of requests,	(iii) Whether the

review requests were received	of review requests received	among the review requests received in the year, in which further information was disclosed after review	decisions on review were made at the directorate (D1 or D2) level
2015			
2016			
2017			
2018			
2019			

4) With reference to the target response times set out in paragraphs 1.16.1 to 1.19.1 of the Guidelines, please advise this Committee of the following information by year in table form (with text descriptions).

(a) Within 10 days from the date of receipt of a written request:

	Number of requests for which the information requested was provided	Number of requests involving third party information for which the information requested could not be provided	Number of requests for which the information requested could not be provided since the requests had to be transferred to another department which held the information under request	Number of requests for information which were refused under the exemption provisions in Part 2 of the Code	Number of applications which the applicants indicated that they did not wish to proceed with and withdrew since they did not accept the charge
2020					
2019					
2018					
2017					
2016					

Within 10 to 21 days from the date of receipt of a written request:

	Number of requests for which the information requested was provided	Number of requests involving third party information for which the information requested could not be provided	Number of requests for which the information requested could not be provided since the requests had to be transferred to another department which held the information under request	Number of requests for information which were refused under the exemption provisions in Part 2 of the Code	Number of applications which the applicants indicated that they did not wish to proceed with and withdrew since they did not accept the charge
2020					

2019					
2018					
2017					
2016					

Within 21 to 51 days from the date of receipt of a written request:

	Number of requests for which the information requested was provided	Number of requests involving third party information for which the information requested could not be provided	Number of requests for which the information requested could not be provided since the requests had to be transferred to another department which held the information under request	Number of requests for information which were refused under the exemption provisions in Part 2 of the Code	Number of applications which the applicants indicated that they did not wish to proceed with and withdrew since they did not accept the charge
2020					
2019					
2018					
2017					
2016					

(b) Details of requests which the Department was unable to respond to within 21 days from date of receipt in the past 5 years:

Date	Subject of the information requested	Specific reason

(c) Details of requests which the Department was unable to respond to within 51 days from date of receipt in the past 5 years:

Date	Subject of the information requested	Specific reason

5) Among the cases where the Department refused to disclose the information requested pursuant to the exemption provisions in Part 2 of the Code in the past 5 years, how many of them were subject to consultation with the Privacy Commissioner for Personal Data (PCPD) in the handling of cases? For cases on which advice had been sought, was it fully accepted in the end? For cases where the advice of PCPD was not accepted or was only partially accepted, what are the reasons?

Date	Subject	Particular exemption provision in Part 2 of the Code under which requests for information were refused	Whether the advice of PCPD was fully accepted	Reasons for refusing to accept or only partially accepting the advice of the PCPD

Asked by: Hon CHAN Tanya (LegCo internal reference no.: 418)

Reply:

- 1) From October 2018 to December 2019, none of the requests for information made under the Code on Access to Information (the Code) to the Census and Statistics Department (C&SD) was met in part.
- 2) From October 2018 to December 2019, none of the requests for information made under the Code to C&SD was refused.
- 3) From 2015 to 2019, C&SD did not receive any request for review.
- 4)(a) Relevant information for the period from 2016 to 2019 is set out below while information for 2020 is not available.

Year	Number of requests for which the information requested was provided	Number of requests involving third party information for which the information requested could not be provided	Number of requests for which the information requested could not be provided since the requests had to be transferred to another department which held the information under request	Number of requests for information which were refused under the exemption provisions in Part 2 of the Code	Number of applications which the applicants indicated that they did not wish to proceed with and withdrew since they did not accept the charge
<i>(i) Within 10 days from the date of receipt of a written request:</i>					
2019	11	0	2	0	0
2018	11	0	0	0	0
2017	19	0	0	1	0
2016	10	0	3	1	0
<i>(ii) Within 10 to 21 days from the date of receipt of a written request:</i>					
2019	2	0	0	0	0
2018	2	0	0	0	0
2017	1	0	0	0	0
2016	2	0	0	1	0
<i>(iii) Within 21 to 51 days from the date of receipt of a written request:</i>					
2019	0	0	0	0	0
2018	0	0	0	0	0
2017	0	0	0	0	0
2016	0	0	0	0	0

- (b) From 2016 to 2019, none of the requests for information made under the Code to C&SD could not be responded to within 21 days from the date of receipt.

- (c) From 2016 to 2019, none of the requests for information made under the Code to C&SD could not be responded to within 51 days from the date of receipt.
- 5) From 2016 to 2019, none of the cases in which C&SD refused to disclose the information requested pursuant to the exemption provisions in Part 2 of the Code was subject to consultation with the Privacy Commissioner for Personal Data.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)071

(Question Serial No. 5269)

Head: (26) Census and Statistics Department

Subhead (No. & title): (-) Not specified

Programme: (-) Not specified

Controlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the masks for use by your Department, please provide:

1. the amount of current stock;
2. the amounts of monthly stock in the past 5 years;
3. the amounts produced by the Correctional Services Department in the monthly stock in the past 5 years;
4. the expenditures incurred in the past 5 years;
5. the amounts of monthly consumption in the past 5 years;
6. the amounts of procurement in the past 5 years; and
7. the amounts depleted due to storage problems in the past 5 years.

Asked by: Hon CHEUNG Chiu-hung, Fernando (LegCo internal reference no.: 1874)

Reply:

In light of the surging demand for personal protective equipment (PPE) around the world, the Government is facing intense competition in the procurement work. At this stage, the Government considers it not appropriate to disclose specific information about PPE of individual departments, such as the stock, procurement quantity, price and consumption in order not to weaken the bargaining power of the Government Logistics Department and individual departments when they make the procurement.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)072****(Question Serial No. 5407)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (-) Not specifiedControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please provide the respective distribution of working hours of households who are economically active as a whole and whose income is below 70% of the median household income by household size, i.e. 1, 2, 3, 4, 5, and 6 or more.

Asked by: Hon CHEUNG Chiu-hung, Fernando (LegCo internal reference no.: 1252)Reply:

Based on the data obtained from the General Household Survey conducted by the Census and Statistics Department, among all economically active domestic households in 2018, the number of households with monthly household income⁽¹⁾ (excluding foreign domestic helpers) less than 70% of the median monthly household income of economically active domestic households of the same size (excluding foreign domestic helpers), analysed by household size and hours of work of all employment of all employed persons in the household, are set out in the table below.

Hours of work (During 7 days before enumeration) ⁽²⁾	Household size (excluding foreign domestic helpers)					
	1	2	3	4	5	6+
<20	19 800	23 500	16 300	7 800	2 100	1 500
20 - 29	8 100	12 500	7 400	3 500	900	
30 - 39	11 200	19 900	15 200	8 500	2 000	800
40 - 49	27 300	61 700	58 300	36 000	9 700	3 500
50 - 59	8 400	24 200	24 100	16 900	4 800	1 400
60 - 69	6 700	17 500	23 300	16 800	4 900	1 700
70 - 79	2 900	7 500	10 600	9 800	2 800	1 300
80 - 89		3 600	8 600	12 100	3 000	1 200
90+		5 300	14 300	23 600	7 300	2 900
Total	84 500	175 800	178 100	135 100	37 500	14 400

Notes:

- (1) Household income includes earnings (before deduction of Mandatory Provident Fund contributions) from all jobs and other cash income received in the month before enumeration by all members of the household. Other cash income includes income generated from rent income, interest, dividends, regular/monthly pensions and insurance annuity benefits, regular contribution from persons outside the household, regular contribution from charities and all government subsidies (for example, allowance from Comprehensive Social Security Assistance Scheme, Old Age Living Allowance, etc.).
- (2) Figures refer to hours of work of all employment of all employed persons in the household (excluding foreign domestic helpers) during the 7 days before enumeration.

Figures of less than 3 000 households are compiled based on a small number of observations. Hence, they are subject to relatively larger sampling errors and should be interpreted with caution.

The number of domestic households for selected groups of hours of work has been merged with other groups because of their small values.

The number of domestic households is rounded to the nearest hundred.

Individual figures may not add up exactly to the total owing to rounding.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)073

(Question Serial No. 5408)

Head: (26) Census and Statistics Department

Subhead (No. & title): (-) Not specified

Programme: (-) Not specified

Controlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please provide the overall number of economically active households whose income is below 70% of the median household income.

Asked by: Hon CHEUNG Chiu-hung, Fernando (LegCo internal reference no.: 1253)

Reply:

Based on the data obtained from the General Household Survey conducted by the Census and Statistics Department, among all economically active domestic households, the number of households with monthly household income⁽¹⁾ (excluding foreign domestic helpers) less than 70% of the median monthly household income of economically active domestic households of the same size (excluding foreign domestic helpers) in 2018 was 625 400.

Note:

- (1) Household income includes earnings (before deduction of Mandatory Provident Fund contributions) from all jobs and other cash income received in the month before enumeration by all members of the household. Other cash income includes income generated from rent income, interest, dividends, regular/monthly pensions and insurance annuity benefits, regular contribution from persons outside the household, regular contribution from charities and all government subsidies (for example, allowance from Comprehensive Social Security Assistance Scheme, Old Age Living Allowance, etc.).

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)074

(Question Serial No. 3557)

Head: (26) Census and Statistics Department

Subhead (No. & title): (-) Not specified

Programme: (-) Not specified

Controlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

With regard to the import and export of fresh produce and agricultural and fishery products, please advise on the following:

- (a) the total value of fresh produce and agricultural and fishery products supplied by the Mainland to Hong Kong in the past 3 years (i.e. from 2017-18 to 2019-20);
- (b) the total value of fresh produce and agricultural and fishery products supplied by overseas regions and countries to Hong Kong in the past 3 years (i.e. from 2017-18 to 2019-20);
- (c) the total value of local fresh produce and agricultural and fishery products exported to the Mainland in the past 3 years (i.e. from 2017-18 to 2019-20); and
- (d) the total value of local fresh produce and agricultural and fishery products exported to overseas regions and countries in the past 3 years (i.e. from 2017-18 to 2019-20).

Asked by: Hon HO Chun-yin, Steven (LegCo internal reference no.: 59)

Reply:

- (a) The value of imports of fresh produce and agricultural and fishery products of the Mainland origin to Hong Kong in the past 3 calendar years, i.e. 2017, 2018 and 2019, was about \$9,094 million, \$8,889 million and \$8,536 million respectively.
- (b) The value of imports of fresh produce and agricultural and fishery products of overseas origin to Hong Kong in the past 3 calendar years, i.e. 2017, 2018 and 2019, was about \$21,441 million, \$25,508 million and \$29,399 million respectively.
- (c) Hong Kong had no domestic exports of fresh produce and agricultural and fishery products to the Mainland in the past 3 calendar years, i.e. 2017, 2018 and 2019.
- (d) The value of domestic exports of fresh produce and agricultural and fishery products from Hong Kong to overseas regions and countries was about \$0.1 million in 2017. In 2018 and 2019, Hong Kong had no domestic exports of fresh produce and agricultural and fishery products to overseas regions and countries.

Note: Fresh produce and agricultural and fishery products refer to live pigs, live cattle, live goat, live poultry, live fish, vegetables and fruits.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)075****(Question Serial No. 4751)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (2) Social StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please tabulate the distribution of population by educational attainment, namely (1) no schooling/pre-primary, (2) primary, (3) lower secondary, (4) upper secondary, (5) post-secondary: diploma/certificate, (6) post-secondary: sub-degree course, (7) post-secondary: degree course and (8) total in respect of (a) Kwai Tsing, (b) Tsuen Wan, (c) Tuen Mun, (d) Yuen Long and (e) Islands districts.

Asked by: Hon KWOK Ka-ki (LegCo internal reference no.: 365)Reply:

According to the results of the 2016 Population By-census, statistics on population of Kwai Tsing, Tsuen Wan, Tuen Mun, Yuen Long and Islands districts by educational attainment (highest level attended) in 2016 are as follows –

Educational attainment (highest level attended)	District Council district				
	Kwai Tsing	Tsuen Wan	Tuen Mun	Yuen Long	Islands
No schooling / Pre-primary	56 846	29 292	47 175	62 527	17 466
Primary	105 915	50 569	96 472	114 914	23 757
Lower secondary	103 020	50 479	93 457	112 751	21 444
Upper secondary	137 799	87 213	135 608	176 031	41 358
Post-secondary: Diploma / Certificate	23 797	17 741	24 369	29 233	10 015
Post-secondary: Sub-degree course	19 918	14 834	20 666	25 077	7 684
Post-secondary: Degree course	73 277	68 788	71 552	93 645	35 077
Total	520 572	318 916	489 299	614 178	156 801

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)076****(Question Serial No. 4753)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (2) Social StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

In respect of the population (excluding foreign domestic helpers), please tabulate the information on (a) average annual growth rates, (b) cumulative growth rates, (c) distribution of population with secondary education and below, (d) distribution of population with post-secondary education and above, (e) labour force participation rates, (f) unemployment rates of the past 3 reference periods, (g) median monthly incomes from employment (HK\$), (h) distribution of population relating to managers and professionals, (i) distribution of population relating to associate professionals, and (j) distribution of population relating to other occupations in respect of (a) New Territories West, (b) New Territories East, (c) Kowloon West, (d) Kowloon East, (e) Hong Kong Island and (f) the whole territory based on the past 3 population censuses.

Asked by: Hon KWOK Ka-ki (LegCo internal reference no.: 372)Reply:

According to the results of the 2006 Population By-census, 2011 Population Census and 2016 Population By-census, statistics on population (excluding foreign domestic helpers) of New Territories West, New Territories East, Kowloon West, Kowloon East, Hong Kong Island and the whole territory are set out in Table 1 to Table 5. As regards labour force participation rates and unemployment rates, according to the results of the General Household Survey, the statistics by district in 2006, 2011 and 2016 are shown in Table 6.

Table 1: Average annual growth rates of population (excluding foreign domestic helpers)

District ⁽¹⁾	2006 – 2011	2011 – 2016	2006 – 2016
New Territories West	0.2	0.6	0.4
New Territories East	0.8	0.7	0.7
Kowloon West	0.9	1.7	1.3
Kowloon East	0.5	0.5	0.5
Hong Kong Island	-0.2	-0.6	-0.4

District ⁽¹⁾	2006 – 2011	2011 – 2016	2006 – 2016
Whole territory⁽²⁾	0.4	0.6	0.5

Table 2: Cumulative growth rates of population (excluding foreign domestic helpers)

District ⁽¹⁾	2006 – 2011	2011 – 2016	2006 – 2016
New Territories West	1.0	3.1	4.1
New Territories East	4.0	3.3	7.5
Kowloon West	4.6	8.9	14.0
Kowloon East	2.5	2.7	5.3
Hong Kong Island	-0.9	-3.0	-3.9
Whole territory⁽²⁾	2.1	2.9	5.1

Table 3: Population (excluding foreign domestic helpers) by educational attainment (highest level attended)

District ⁽¹⁾	Educational attainment (highest level attended)	2006	2011	2016
New Territories West	Secondary and below	1 633 386	1 566 617	1 509 922
	Post-secondary and above	317 475	404 239	521 483
	Sub-total	1 950 861	1 970 856	2 031 405
New Territories East	Secondary and below	1 238 882	1 203 197	1 165 969
	Post-secondary and above	308 558	406 838	497 998
	Sub-total	1 547 440	1 610 035	1 663 967
Kowloon West	Secondary and below	756 769	747 151	762 069
	Post-secondary and above	218 866	273 487	349 852
	Sub-total	975 635	1 020 638	1 111 921
Kowloon East	Secondary and below	854 273	839 405	803 824
	Post-secondary and above	141 514	181 690	244 683
	Sub-total	995 787	1 021 095	1 048 507
Hong Kong Island	Secondary and below	864 926	797 779	718 552
	Post-secondary and above	339 584	395 759	439 324
	Sub-total	1 204 510	1 193 538	1 157 876
Whole territory⁽²⁾	Secondary and below	5 350 905	5 154 892	4 961 094
	Post-secondary and above	1 326 292	1 662 400	2 053 696
	Total	6 677 197	6 817 292	7 014 790

Table 4: Median monthly income from main employment of working population⁽³⁾ (excluding foreign domestic helpers) (HK\$)

District ⁽¹⁾	2006	2011	2016
New Territories West	10,000	11,000	15,000
New Territories East	10,000	12,500	16,500
Kowloon West	10,500	13,000	15,000
Kowloon East	9,500	10,000	14,400

District ⁽¹⁾	2006	2011	2016
Hong Kong Island	12,500	15,000	18,000
Whole territory⁽²⁾	10,000	12,000	15,500

Table 5: Working Population (excluding foreign domestic helpers) by occupation

District ⁽¹⁾	Occupation ⁽⁴⁾	2006	2011	2016
New Territories West	Managers and administrators/ Professionals	117 584	125 100	146 845
	Associate professionals	142 713	192 372	211 850
	Others	646 721	635 381	627 982
	Sub-total	907 018	952 853	986 677
New Territories East	Managers and administrators/ Professionals	131 251	142 370	158 506
	Associate professionals	135 603	180 701	195 378
	Others	496 212	487 215	454 173
	Sub-total	763 066	810 286	808 057
Kowloon West	Managers and administrators/ Professionals	103 532	108 538	123 777
	Associate professionals	81 789	103 650	118 460
	Others	273 732	263 032	307 986
	Sub-total	459 053	475 220	550 223
Kowloon East	Managers and administrators/ Professionals	51 188	48 847	61 092
	Associate professionals	67 892	84 200	100 772
	Others	328 526	333 733	337 721
	Sub-total	447 606	466 780	499 585
Hong Kong Island	Managers and administrators/ Professionals	163 499	166 032	154 924
	Associate professionals	114 258	133 562	143 232
	Others	322 325	288 073	291 550
	Sub-total	600 082	587 667	589 706
Whole territory⁽²⁾	Managers and administrators/Professionals	567 326	591 088	645 385
	Associate professionals	542 309	694 603	769 763
	Others	2 068 952	2 007 806	2 019 669
	Total	3 178 587	3 293 497	3 434 817

Table 6: Labour force participation rate and unemployment rate (excluding foreign domestic helpers)

District ⁽¹⁾	Labour force participation rate ⁽⁵⁾ (%)			Unemployment rate ⁽⁶⁾ (%)		
	2006	2011	2016	2006	2011	2016
New Territories West	60.2	59.0	59.4	5.8	4.1	4.2
New Territories East	61.5	60.3	58.6	5.2	3.6	3.6
Kowloon West	58.9	56.6	59.6	5.2	3.3	3.5
Kowloon East	56.5	55.6	58.0	5.5	4.3	3.9
Hong Kong Island	60.9	58.6	60.2	3.4	2.8	2.8
Overall	59.9	58.4	59.2	5.1	3.7	3.7

- Notes :
- (1) New Territories West includes: Kwai Tsing, Tsuen Wan, Tuen Mun, Yuen Long and Islands District Council districts;
New Territories East includes: North, Tai Po, Sha Tin and Sai Kung District Council districts;
Kowloon West includes: Yau Tsim Mong, Sham Shui Po and Kowloon City District Council districts;
Kowloon East includes: Wong Tai Sin and Kwun Tong District Council districts; and
Hong Kong Island includes: Central and Western, Wan Chai, Eastern and Southern District Council districts.
 - (2) In addition to the above districts, figures for the whole territory also include marine population.
 - (3) Figures refer to the income for July 2006, June 2011 and June 2016 and exclude unpaid family workers.
 - (4) Figures for 2006 are compiled based on the occupation classification modelled on the International Standard Classification of Occupations 1988 (ISCO-88), whereas figures for 2011 and 2016 are compiled based on the occupation classification adopted in the 2011 Population Census, which is broadly modelled on the International Standard Classification of Occupations 2008 (ISCO-08).

As the changes between ISCO-88 and ISCO-08 at the top level as shown above are relatively minor, figures for 2006, 2011 and 2016 presented in this table are broadly comparable.
 - (5) Labour force participation rate refers to the proportion of labour force in the total land-based non-institutional population aged 15 and over.
 - (6) Unemployment rate refers to the proportion of unemployed persons in the labour force.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)077****(Question Serial No. 4754)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (2) Social StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please tabulate the distribution of population (excluding foreign domestic helpers) of (1) underage persons, (2) adults aged under 60 and (3) persons aged 60 or above, as well as the (4) total population and (5) poor population in respect of (a) Kwai Tsing, (b) Tsuen Wan, (c) Tuen Mun, (d) Yuen Long and (e) Islands districts based on the past 3 population censuses.

Asked by: Hon KWOK Ka-ki (LegCo internal reference no.: 374)Reply:

According to the results of the 2006 Population By-census, 2011 Population Census and 2016 Population By-census, statistics on population (excluding foreign domestic helpers) of Kwai Tsing, Tsuen Wan, Tuen Mun, Yuen Long and Islands districts by age group are as follows –

District Council district	Age group	2006	2011	2016
Kwai Tsing	0 – 17	89 686	76 482	72 006
	18 – 59	330 725	319 170	314 398
	60 and over	95 958	105 703	121 655
	Total	516 369	501 355	508 059
Tsuen Wan	0 – 17	51 276	49 531	42 864
	18 – 59	184 762	187 076	193 712
	60 and over	44 444	56 076	68 193
	Total	280 482	292 683	304 769
Tuen Mun	0 – 17	93 058	72 722	67 643
	18 – 59	340 882	327 295	301 471
	60 and over	61 612	78 116	107 730

District Council district	Age group	2006	2011	2016
	Total	495 552	478 133	476 844
Yuen Long	0 – 17	122 272	103 964	89 857
	18 – 59	344 657	378 241	369 161
	60 and over	57 306	80 294	133 918
	Total	524 235	562 499	592 936
Islands	0 – 17	30 043	26 491	22 079
	18 – 59	88 257	89 024	91 559
	60 and over	15 923	20 671	35 159
	Total	134 223	136 186	148 797

The Government announced the first official poverty line in September 2013, which was set at 50% of the median monthly household income by household size (excluding foreign domestic helpers) before government policy intervention (i.e. before tax and social benefits transfers). Using the data from the General Household Survey conducted by the Census and Statistics Department as the basis, the sizes of poor population after government policy intervention (recurrent cash) in selected District Council districts in 2009, 2011 and 2016 are given below. Due to data limitations, figures before 2009 are not available.

District Council district	Poor population (after policy intervention (recurrent cash) *)		
	2009	2011	2016
Kwai Tsing	90 600	85 600	80 700
Tsuen Wan	40 000	38 300	40 200
Tuen Mun	80 800	78 700	70 300
Yuen Long	103 200	97 500	97 800
Islands	24 800	26 200	20 100

* Figures follow the official poverty line analytical framework adopted by the Commission on Poverty to refer to poor population based on household income after tax and inclusive of all recurrent cash benefits received.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)078****(Question Serial No. 4755)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (2) Social StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

In respect of the population (excluding foreign domestic helpers), please tabulate the information on (a) average annual growth rates, (b) cumulative growth rates, (c) distribution of population with secondary education and below, (d) distribution of population with post-secondary education and above, (e) labour force participation rates, (f) unemployment rates of the past 3 reference periods, (g) median monthly incomes from employment (HK\$), (h) distribution of population relating to managers and professionals, (i) distribution of population relating to associate professionals, and (j) distribution of population relating to other occupations in respect of (a) Kwai Tsing, (b) Tsuen Wan, (c) Tuen Mun, (d) Yuen Long, and (e) Islands districts based on the past 3 population censuses.

Asked by: Hon KWOK Ka-ki (LegCo internal reference no.: 375)Reply:

According to the results of the 2006 Population By-census, 2011 Population Census and 2016 Population By-census, statistics on population (excluding foreign domestic helpers) of Kwai Tsing, Tsuen Wan, Tuen Mun, Yuen Long and Islands districts are set out in Table 1 to Table 5. As regards labour force participation rates and unemployment rates, according to the results of the General Household Survey, the statistics by selected District Council district in 2006, 2011 and 2016 are set out in Table 6.

Table 1: Average annual growth rates of population (excluding foreign domestic helpers)

District Council district	2006 – 2011	2011 – 2016	2006 – 2016
Kwai Tsing	-0.6	0.3	-0.2
Tsuen Wan	0.9	0.8	0.8
Tuen Mun	-0.7	-0.1	-0.4
Yuen Long	1.4	1.1	1.2
Islands	0.3	1.8	1.0

Table 2: Cumulative growth rates of population (excluding foreign domestic helpers)

District Council district	2006 – 2011	2011 – 2016	2006 – 2016
Kwai Tsing	-2.9	1.3	-1.6
Tsuen Wan	4.4	4.1	8.7
Tuen Mun	-3.5	-0.3	-3.8
Yuen Long	7.3	5.4	13.1
Islands	1.5	9.3	10.9

Table 3: Population (excluding foreign domestic helpers) by educational attainment (highest level attended)

District Council district	Educational attainment (highest level attended)	2006	2011	2016
Kwai Tsing	Secondary and below	438 421	408 587	393 773
	Post-secondary and above	77 948	92 768	114 286
	Total	516 369	501 355	508 059
Tsuen Wan	Secondary and below	217 948	212 748	206 419
	Post-secondary and above	62 534	79 935	98 350
	Total	280 482	292 683	304 769
Tuen Mun	Secondary and below	421 731	385 517	362 859
	Post-secondary and above	73 821	92 616	113 985
	Total	495 552	478 133	476 844
Yuen Long	Secondary and below	448 825	457 659	448 729
	Post-secondary and above	75 410	104 840	144 207
	Total	524 235	562 499	592 936
Islands	Secondary and below	106 461	102 106	98 142
	Post-secondary and above	27 762	34 080	50 655
	Total	134 223	136 186	148 797

Table 4: Median monthly income from main employment of working population⁽¹⁾ (excluding foreign domestic helpers) (HK\$)

District Council district	2006	2011	2016
Kwai Tsing	9,000	10,000	14,000
Tsuen Wan	11,500	15,000	17,000
Tuen Mun	9,610	11,000	15,000
Yuen Long	10,000	11,000	15,000
Islands	10,000	12,000	16,000

Table 5: Working Population (excluding foreign domestic helpers) by occupation

District Council district	Occupation ⁽²⁾	2006	2011	2016
Kwai Tsing	Managers and administrators/ Professionals	25 617	24 837	28 541
	Associate professionals	34 926	42 131	46 565
	Others	174 398	171 705	171 808
	Total	234 941	238 673	246 914
Tsuen Wan	Managers and administrators/ Professionals	29 433	31 270	32 895
	Associate professionals	27 839	36 701	39 453
	Others	81 567	75 125	82 291
	Total	138 839	143 096	154 639
Tuen Mun	Managers and administrators/ Professionals	24 423	23 812	30 253
	Associate professionals	36 251	48 187	50 505
	Others	177 598	167 615	152 121
	Total	238 272	239 614	232 879
Yuen Long	Managers and administrators/ Professionals	28 305	32 925	39 854
	Associate professionals	34 487	52 575	59 716
	Others	171 928	180 463	180 864
	Total	234 720	265 963	280 434
Islands	Managers and administrators/ Professionals	9 806	12 256	15 302
	Associate professionals	9 210	12 778	15 611
	Others	41 230	40 473	40 898
	Total	60 246	65 507	71 811

Table 6: Labour force participation rates and unemployment rates (excluding foreign domestic helpers)

District Council district	Labour force participation rate ⁽³⁾ (%)			Unemployment rate ⁽⁴⁾ (%)		
	2006	2011	2016	2006	2011	2016
Kwai Tsing	58.8	57.2	59.6	6.8	4.5	4.9
Tsuen Wan	62.0	59.7	61.1	4.4	2.8	3.8
Tuen Mun	61.6	60.5	60.4	5.9	4.1	4.1
Yuen Long	58.7	58.5	57.7	5.7	4.4	4.0
Islands	62.1	60.8	59.0	4.9	4.4	4.1

- Notes :
- (1) Figures refer to the income for July 2006, June 2011 and June 2016 and exclude unpaid family workers.
 - (2) Figures for 2006 are compiled based on the occupation classification modelled on the International Standard Classification of Occupations 1988 (ISCO-88), whereas figures for 2011 and 2016 are compiled based on the occupation classification adopted in the 2011 Population Census, which is broadly modelled on the International Standard Classification of Occupations 2008 (ISCO-08).
As the changes between ISCO-88 and ISCO-08 at the top level as shown above are relatively minor, figures for 2006, 2011 and 2016 presented in this table are broadly comparable.
 - (3) Labour force participation rate refers to the proportion of labour force in the total land-based non-institutional population aged 15 and over.
 - (4) Unemployment rate refers to the proportion of unemployed persons in the labour force.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)079****(Question Serial No. 4756)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (2) Social StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please tabulate the distribution of population (excluding foreign domestic helpers) by age group, namely (1) 0-14, (2) 15-24, (3) 25-54, (4) 55-64 and (5) over 65 in respect of (a) Kwai Tsing, (b) Tsuen Wan, (c) Tuen Mun, (d) Yuen Long and (e) Islands districts based on the past 3 population censuses.

Asked by: Hon KWOK Ka-ki (LegCo internal reference no.: 376)Reply:

According to the results of the 2006 Population By-census, 2011 Population Census and 2016 Population By-census, statistics on population (excluding foreign domestic helpers) of Kwai Tsing, Tsuen Wan, Tuen Mun, Yuen Long and Islands districts by age group are as follows –

District Council district	Age group	2006	2011	2016
Kwai Tsing	0 – 14	68 400	57 834	58 301
	15 – 24	72 150	66 043	56 356
	25 – 54	247 426	235 344	228 478
	55 – 64	55 587	67 207	78 144
	65 and over	72 806	74 927	86 780
	Total	516 369	501 355	508 059
Tsuen Wan	0 – 14	41 495	39 287	35 159
	15 – 24	30 032	32 284	34 642
	25 – 54	148 101	145 241	138 473
	55 – 64	27 676	36 479	49 796
	65 and over	33 178	39 392	46 699
	Total	280 482	292 683	304 769
Tuen Mun	0 – 14	70 512	54 304	54 540

District Council district	Age group	2006	2011	2016
	15 – 24	74 396	64 487	53 693
	25 – 54	255 884	241 130	218 018
	55 – 64	50 438	70 992	78 304
	65 and over	44 322	47 220	72 289
	Total	495 552	478 133	476 844
Yuen Long	0 – 14	96 327	78 778	73 721
	15 – 24	79 360	83 751	69 631
	25 – 54	266 827	282 872	266 777
	55 – 64	37 408	62 324	90 073
	65 and over	44 313	54 774	92 734
	Total	524 235	562 499	592 936
Islands	0 – 14	24 194	21 040	18 167
	15 – 24	16 352	17 688	15 872
	25 – 54	70 383	67 747	66 581
	55 – 64	11 223	15 955	23 710
	65 and over	12 071	13 756	24 467
	Total	134 223	136 186	148 797

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)080****(Question Serial No. 6033)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (-) Not specifiedControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

- a. Please set out the quantity, value and stock of surgical masks produced by the Correctional Services Department (CSI masks) that the Census and Statistics Department (C&SD) obtained from the Government Logistics Department (GLD) each month in the past 3 years in the following table:

Month/Year	Number of CSI masks obtained	Value of CSI masks obtained	Stock of CSI masks

- b. Please set out the quantity, value, stock and consumption of surgical masks that C&SD obtained from GLD or procured each month in the past 3 years in the following table:

Month/Year	Number of surgical masks obtained from GLD (value)	Number of surgical masks procured (value)	Stock	Consumption

- c. Please set out the quantity, value, stock and consumption of N95 respirators that C&SD obtained from GLD or procured each month in the past 3 years in the following table:

Month/Year	Number of N95 respirators obtained from GLD (value)	Number of N95 respirators procured (value)	Stock	Consumption

- d. Please set out the quantity, value, stock and consumption of gowns that C&SD obtained from GLD or procured each month in the past 3 years in the following table:

Month/Year	Number of gowns obtained from GLD (value)	Number of gowns procured (value)	Stock	Consumption

- e. Please set out the quantity, value, stock and consumption of protective coverall suits that C&SD obtained from GLD or procured each month in the past 3 years in the following table:

Month/Year	Number of	Number of	Stock	Consumption

	protective coverall suits supplied by GLD (value)	protective coverall suits procured (value)		

- f. Please set out the quantity, value, stock and consumption of face shields that C&SD obtained from GLD or procured each month in the past 3 years in the following table:

Month/Year	Number of face shields procured	Value of face shields procured	Stock of face shields	Consumption

- g. Please set out the quantity, value, stock and consumption of goggles that C&SD obtained from GLD or procured each month in the past 3 years in the following table:

Month/Year	Number of goggles procured	Value of goggles procured	Stock of goggles	Consumption

- h. Did C&SD supply or sell surgical masks, N95 respirators, face shields, goggles, gowns and protective coverall suits to other organisations in the past 3 years? If yes, please provide the relevant information, including the quantity, consumption and stock, in the following table:

Month/Year	Name of organisation	Manner of provision (e.g. sold or supplied for free)	Surgical masks	N95 respirators	Face shields	Goggles	Gowns	Protective coverall suits

- i. If C&SD is to supply or sell surgical masks, N95 respirators, face shields, goggles, gowns and protective coverall suits to other organisations, what are the departments and the ranks of the officers responsible for making such decisions? Please provide the ranks of the officers involved in each decision, the date they made the decision and other relevant information.

Asked by: Hon MO Claudia (LegCo internal reference no.: 122)

Reply:

In light of the surging demand for personal protective equipment (PPE) around the world, the Government is facing intense competition in the procurement work. At this stage, the Government considers it not appropriate to disclose specific information about PPE of individual departments, such as the stock, procurement quantity, price and consumption in order not to weaken the bargaining power of the Government Logistics Department and individual departments when they make the procurement. The Census and Statistics Department has not provided any PPE to other organisations.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)081****(Question Serial No. 6275)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (2) Social StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please provide the respective numbers of households, occupied residential units and vacant residential units by type of quarters (public rental housing, Home Ownership Scheme flats, private housing units, small houses, village houses, etc.) each year for the past 5 years.

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 154)Reply:

According to the results of the 2016 Population By-census, statistics on domestic households and occupied quarters by type of quarters are as follows –

Type of quarters	Number of occupied quarters	Number of domestic households
Permanent quarters		
Public rental housing units	763 884	761 905
Subsidised sale flats	384 849	384 006
Private residential flats	1 160 775	1 155 511
Villas / bungalows / modern village houses	131 611	130 723
Simple stone structures / traditional village houses	23 355	23 243
Staff quarters	21 132	20 445
Non-domestic quarters	19 234 ⁽¹⁾	12 651 ⁽²⁾
Temporary quarters ⁽³⁾	21 186	21 250
Total	2 526 026	2 509 734

Notes : (1) Including quarters in non-residential buildings and collective living quarters (such as elderly homes, hotels and student dormitories).

(2) Excluding households living in collective living quarters.

(3) Including occupied board vessels.

The Census and Statistics Department does not have a separate breakdown of statistics related to small houses and village houses, and statistics of vacant residential units, as well as the relevant statistics for 2015 and 2017 to 2019.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)082

(Question Serial No. 6276)

Head: (26) Census and Statistics Department

Subhead (No. & title): (-) Not specified

Programme: (2) Social Statistics

Controlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please provide the respective numbers of households and residential units concerning village houses by 18 Districts each year for the past 5 years.

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 155)

Reply:

The Census and Statistics Department does not have the relevant statistics.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)083****(Question Serial No. 6277)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (2) Social StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please provide the respective numbers of households and residential units concerning rooftop houses (or temporary quarters) by 18 Districts for the past 5 years.

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 156)Reply:

According to the results of the 2016 Population By-census, statistics on domestic households in temporary quarters and occupied temporary quarters by District Council district are as follows –

District Council district	Number of domestic households in temporary quarters ⁽¹⁾	Number of occupied temporary quarters ⁽¹⁾⁽²⁾
Central and Western	103	103
Wan Chai	76	76
Eastern	211	209
Southern	595	595
Yau Tsim Mong	784	773
Sham Shui Po	1 033	1 033
Kowloon City	348	348
Wong Tai Sin	196	196
Kwun Tong	259	259
Kwai Tsing	540	540
Tsuen Wan	671	681
Tuen Mun	2 124	2 124
Yuen Long	5 116	5 057
North	5 476	5 474
Tai Po	1 387	1 387
Sha Tin	715	715

District Council district	Number of domestic households in temporary quarters ⁽¹⁾	Number of occupied temporary quarters ^{(1) (2)}
Sai Kung	363	363
Islands	856	856
Total	20 853	20 789

Notes : (1) Excluding board vessels.

- (2) According to statistical definition, a domestic household must have at least one member who is a Usual Resident, i.e. household comprising Mobile Residents only is not classified as domestic household. The number of occupied temporary quarters is larger than that of domestic households in temporary quarters in certain districts because some temporary quarters are occupied by Mobile Residents only.

The Census and Statistics Department does not have a separate breakdown of statistics related to rooftop houses, as well as the relevant statistics for 2015 and 2017 to 2019.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)084****(Question Serial No. 6278)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (2) Social StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please provide the respective numbers of units, households and persons by type of housing (purchased private housing, rented private housing, Home Ownership Scheme flats, purchased public housing and rented public housing) for the past 5 years.

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 157)Reply:

According to the results of the 2016 Population By-census, statistics on occupied quarters, domestic households and population in domestic households by type of quarters are as follows –

Type of quarters	Number of occupied quarters	Number of domestic households	Population in domestic households
Public rental housing units ⁽¹⁾	763 884	761 905	2 100 126
Subsidised sale flats ⁽²⁾	384 849	384 006	1 144 774
Private permanent housing units ⁽³⁾	1 336 873	1 329 922	3 789 474
Owner-occupier	839 744	835 499	2 463 281
Tenant	395 461	397 488	1 061 682
Others	101 668	96 935	264 511
Non-domestic quarters	19 234 ⁽⁴⁾	12 651 ⁽⁵⁾	25 831
Temporary quarters ⁽⁶⁾	21 186	21 250	53 931
Total	2 526 026	2 509 734	7 114 136

Notes : (1) Excluding sold public housing units.

- (2) Including flats sold under various home ownership schemes. Flats that can be traded in the open market are classified as private permanent housing units and are excluded from subsidised sale flats.

- (3) Including private residential flats, all former public rental housing units and former subsidised sale flats (i.e. those which can be traded in the open market), villas / bungalows / modern village houses and simple stone structures / traditional village houses.
- (4) Including quarters in non-residential buildings and collective living quarters (such as elderly homes, hotels and student dormitories).
- (5) Excluding households living in collective living quarters.
- (6) Including occupied board vessels.

The Census and Statistics Department does not have a separate breakdown of statistics on purchased public housing, as well as the relevant statistics for 2015 and 2017 to 2019.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)085****(Question Serial No. 6279)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (2) Social StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please provide the rent and rent-to-income ratios for tenants of private residential flats in Hong Kong (the lowest, the 25th percentile, median, the 75th percentile and the highest) by geographical area for the past 5 years (including the latest information).

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 158)Reply:

According to the results of the 2016 Population By-census, statistics on the monthly domestic household rent and rent-to-income ratio for households living in rental accommodation in private permanent housing by geographical area are as follows –

Table 1: Monthly domestic household rent for households living in rental accommodation in private permanent housing by geographical area

Geographical area	Monthly domestic household rent ⁽¹⁾ for households living in rental accommodation in private permanent housing (HK\$)				
	5 th percentile	25 th percentile	Median	75 th percentile	95 th percentile
Hong Kong Island	3,000	7,920	14,200	22,000	56,250
Kowloon	2,100	4,000	6,500	12,000	28,000
New Territories	2,300	5,300	9,000	13,500	24,000
Overall	2,250	5,000	9,200	15,000	33,750

Note : (1) The amount paid by a domestic household renting the accommodation it occupied in June 2016. Households with zero rent are excluded in the calculation.

Table 2: Monthly domestic household rent-to-income ratio for households living in rental accommodation in private permanent housing by geographical area

Geographical area	Monthly domestic household rent-to-income ratio ⁽¹⁾ for households living in rental accommodation in private permanent housing (%)				
	5 th percentile	25 th percentile	Median	75 th percentile	95 th percentile
Hong Kong Island	7.0	20.6	31.6	51.6	93.9
Kowloon	5.5	19.2	29.4	43.5	81.7
New Territories	6.1	18.2	28.0	43.1	81.8
Overall	6.1	19.2	29.3	45.0	86.1

Note : (1) The percentage of household income paid on household rent in June 2016 of a domestic household renting the accommodation it occupied. Households with zero income and/or zero rent are excluded in the calculation.

The Census and Statistics Department does not have the relevant statistics for 2015 and 2017 to 2019.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)086****(Question Serial No. 6280)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (2) Social StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please provide the rent and rent-to-income ratios for tenants of private residential flats in Hong Kong (the lowest, the 25th percentile, median, the 75th percentile and the highest) by household size for the past 5 years (including the latest information).

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 159)Reply:

According to the results of the 2016 Population By-census, statistics on the monthly domestic household rent and rent-to-income ratio for households living in rental accommodation in private permanent housing by household size are as follows –

Table 1: Monthly domestic household rent for households living in rental accommodation in private permanent housing by household size

Household size	Monthly domestic household rent ⁽¹⁾ for households living in rental accommodation in private permanent housing (HK\$)				
	5 th percentile	25 th percentile	Median	75 th percentile	95 th percentile
1	2,200	4,000	8,000	13,000	24,000
2	2,500	5,000	8,750	13,200	25,830
3	2,250	4,500	8,500	14,000	29,500
4	2,300	5,500	10,250	17,300	36,500
5	2,330	8,000	15,000	23,750	53,000
≥ 6	3,800	10,000	20,000	34,000	80,000
Overall	2,250	5,000	9,200	15,000	33,750

Note: (1) The amount paid by a domestic household renting the accommodation it occupied in June 2016. Households with zero rent are excluded in the calculation.

Table 2: Monthly domestic household rent-to-income ratio for households living in rental accommodation in private permanent housing by household size

Household size	Monthly domestic household rent-to-income ratio ⁽¹⁾ for households living in rental accommodation in private permanent housing (%)				
	5 th percentile	25 th percentile	Median	75 th percentile	95 th percentile
1	13.2	24.6	36.1	55.0	96.4
2	7.5	19.2	29.5	45.1	85.5
3	5.6	19.1	28.6	43.4	81.3
4	4.2	16.7	26.0	39.8	76.9
5	3.6	14.6	23.3	35.9	75.4
≥ 6	4.9	16.8	25.4	39.1	86.1
Overall	6.1	19.2	29.3	45.0	86.1

Note: (1) The percentage of household income paid on household rent in June 2016 of a domestic household renting the accommodation it occupied. Households with zero income and/or zero rent are excluded in the calculation.

The Census and Statistics Department does not have the relevant statistics for 2015 and 2017 to 2019.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)087

(Question Serial No. 6282)

Head: (26) Census and Statistics Department

Subhead (No. & title): (-) Not specified

Programme: (2) Social Statistics

Controlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please provide the rent per square metre for tenants of private residential flats in Hong Kong (the lowest, the 25th percentile, median, the 75th percentile and the highest) by household size for the past 5 years (including the latest information).

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 161)

Reply:

In the 2016 Population By-census, the information on the floor area of accommodation as provided by respondents may be subject to different extent of estimation. In particular, some respondents were only able to provide the estimated range instead of the exact floor area of accommodation. Thus, the information collected is not precise enough for compiling reliable statistics on rent per floor area.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)088****(Question Serial No. 6283)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (2) Social StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please provide the average and median floor area of accommodation of residential flats in Hong Kong by type of housing (private housing, Home Ownership Scheme flats and public rental housing) for 2019-20.

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 162)Reply:

According to the results of the 2016 Population By-census, statistics on the average and median floor area of accommodation of domestic households residing in selected types of housing in 2016 are as follows –

Selected type of housing	Average floor area of accommodation of domestic households (square metres) ^{(1) (2)}	Median floor area of accommodation of domestic households (square metres) ⁽¹⁾
Public rental housing	31	33
Subsidised home ownership housing	46	45
Private permanent housing ⁽³⁾	54	47

- Notes:
- (1) Excluding the floor areas of common areas shared among households.
 - (2) The average figures need to be interpreted carefully because they tend to be affected by figures with extreme values.
 - (3) Including private residential flats, villas / bungalows / modern village houses and simple stone structures / traditional village houses.

The Census and Statistics Department does not have the relevant statistics for 2019 to 2020.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(FS)089****(Question Serial No. 6284)**Head: (26) Census and Statistics DepartmentSubhead (No. & title): (-) Not specifiedProgramme: (2) Social StatisticsControlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please provide the per capita floor area of accommodation of residential flats in Hong Kong by type of housing (private housing, Home Ownership Scheme flats and public rental housing) for 2019-20.

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 163)Reply:

According to the results of the 2016 Population By-census, statistics on the median per capita floor area of accommodation of domestic households residing in selected types of housing in 2016 are as follows –

Selected type of housing	Median per capita floor area of accommodation of domestic households (square metres) ⁽¹⁾
Public rental housing	11.5
Subsidised home ownership housing	15.3
Private permanent housing ⁽²⁾	18.0

Notes: (1) Excluding the floor areas of common areas shared among households.

(2) Including private residential flats, villas / bungalows / modern village houses and simple stone structures / traditional village houses.

The Census and Statistics Department does not have the relevant statistics for 2019 to 2020.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)090

(Question Serial No. 6389)

Head: (26) Census and Statistics Department

Subhead (No. & title): (-) Not specified

Programme: (2) Social Statistics

Controlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please provide by household size the number of households living in sub-divided units in Hong Kong with income lower than the official poverty line (50% of the median income).

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 316)

Reply:

The data required for conducting analysis on the official poverty line are mainly obtained from the General Household Survey (GHS) of the Census and Statistics Department. Nevertheless, information on whether households live in sub-divided units is not collected in GHS. It is, therefore, not possible to compile poverty statistics for households living in sub-divided units.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)091

(Question Serial No. 6390)

Head: (26) Census and Statistics Department

Subhead (No. & title): (-) Not specified

Programme: (2) Social Statistics

Controlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please provide by district the number of households living in sub-divided units in Hong Kong with income lower than the official poverty line (50% of the median income).

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 317)

Reply:

The data required for conducting analysis on the official poverty line are mainly obtained from the General Household Survey (GHS) of the Census and Statistics Department. Nevertheless, information on whether households live in sub-divided units is not collected in GHS. It is, therefore, not possible to compile poverty statistics for households living in sub-divided units.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)092

(Question Serial No. 6391)

Head: (26) Census and Statistics Department

Subhead (No. & title): (-) Not specified

Programme: (2) Social Statistics

Controlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please provide by household size the number of Comprehensive Social Security Assistance (CSSA) households living in subdivided units in Hong Kong and whose rent is higher than the rent allowance under the CSSA Scheme.

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 318)

Reply:

The information on households living in subdivided units in Hong Kong was collected from the 2016 Population By-census conducted by the Census and Statistics Department. Nevertheless, some respondents were unwilling to disclose whether they were CSSA recipients. Thus, the information collected is not precise enough for compiling statistics as required by the question.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)093

(Question Serial No. 6392)

Head: (26) Census and Statistics Department

Subhead (No. & title): (-) Not specified

Programme: (2) Social Statistics

Controlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please provide by household size the median rent for Comprehensive Social Security Assistance (CSSA) households living in subdivided units in Hong Kong.

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 319)

Reply:

The information on households living in subdivided units in Hong Kong was collected from the 2016 Population By-census conducted by the Census and Statistics Department. Nevertheless, some respondents were unwilling to disclose whether they were CSSA recipients. Thus, the information collected is not precise enough for compiling statistics as required by the question.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)094

(Question Serial No. 6393)

Head: (26) Census and Statistics Department

Subhead (No. & title): (-) Not specified

Programme: (2) Social Statistics

Controlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please provide the respective numbers of units (or shared units) regarding cocklofts, bedspaces and cubicles, etc., as well as the numbers of households and persons living in such places for the past 5 years.

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 320)

Reply:

According to the results of the 2016 Population By-census, there were 5 800 domestic households and 8 800 persons living in rooms, cubicles, bedspaces and cocklofts in 2 500 quarters in private permanent housing.

The Census and Statistics Department does not have the relevant statistics for 2015 and 2017 to 2019.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)095

(Question Serial No. 5121)

Head: (26) Census and Statistics Department

Subhead (No. & title): (-) Not specified

Programme: (2) Social Statistics, (4) General Statistical Services

Controlling Officer: Commissioner for Census and Statistics (Ms Marion CHAN)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Will the Government inform this Council:

- 1) With regard to private housing, of the median floor area of accommodation, median per capita floor area of accommodation, and average floor area of bedrooms, kitchens and toilets;
- 2) Whether it will consider, with reference to the United Kingdom, Japan, Taiwan and other places, collecting data on the living condition of private housing such as the type of housing, building structure, age and state of repair of buildings, interior facilities and average floor area per capita in the 2021 Population Census for a better grasp of the state of living of Hong Kong people which facilitates the formulation of housing policies by the Transport and Housing Bureau; and
- 3) Given that currently users who require statistics more detailed than those contained in the press releases and publications of the Census and Statistics Department (C&SD) may make enquiries to C&SD and such data may be provided at a charge, which may reduce their intention to study and make use of statistics, whether the Department will, with a view to promoting statistical literacy and application of statistics in the community, consider opening up more data and statistics which can help the public to better understand the current situation of Hong Kong.

Asked by: Hon WAN Siu-kin, Andrew (LegCo internal reference no.: 33)

Reply:

- 1) According to the results of the 2016 Population By-census, the median floor area of accommodation and the median per capita floor area of accommodation of domestic households living in private permanent housing (including private residential flats, villas/bungalows/modern village houses, and simple stone structures/traditional village houses) in Hong Kong in 2016 were 47 square metres and 18 square metres respectively. Figures exclude floor areas of common areas shared among households.

The Census and Statistics Department (C&SD) does not have breakdowns on floor area of bedrooms, kitchens or toilets.

- 2) In deciding the data topics of the 2021 Population Census (21C), C&SD has conducted an extensive consultation exercise and made reference to the recommendations of the United Nations as well as the practice of other countries/territories. The 21C will collect information on quarters, including (i) type of quarters (e.g. public rental housing units, subsidised sale flats, private residential flats, villas/bungalows/modern village houses, simple stone structures/traditional village houses and temporary quarters etc.), (ii) type of accommodation (e.g. occupying a whole unit of quarters, rooms/cubicles, cocklofts and bedspaces etc.), (iii) whether the unit of quarters is a subdivided unit, (iv) number of rooms in the residence (including living/dining rooms, bedrooms, other rooms, kitchens and bathrooms/toilets) and (v) floor area of accommodation (household and per capita). C&SD has no plan to collect information on building age, state of repair and interior facilities of quarters in the 21C.
- 3) For statistics of common interest to the general public, C&SD issues press releases to the mass media and publishes relevant publications and/or feature articles. C&SD also disseminates various types of statistical tables and datasets with more detailed statistics on the department's website for public use free of charge. C&SD has continuously enhanced the content of the department's website and launched the Interactive Data Dissemination Services for population censuses/by-censuses and trade statistics so that the public can create their own statistical tables and obtain more detailed statistics free of charge. Besides, C&SD has a data enquiry service through which users can obtain the requested statistics free of charge in most cases. Only requests involving a large volume of statistics or tailor-made statistics specifically compiled for the enquirers are handled at a charge.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)096

(Question Serial No. 6789)

Head: (31) Customs and Excise Department

Subhead (No. & title): (-) Not Specified

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please provide the number of money laundering cases detected by the Customs and Excise Department (C&ED) and the number of persons involved in the past 5 years.

Asked by: Hon CHAN Tanya (LegCo internal reference no.: 185)

Reply:

In the past 5 years, the number of money laundering cases detected by C&ED and the number of persons involved are as follows:

	2015	2016	2017	2018	2019
Number of cases detected	3	11	6	7	7
Number of persons involved	7	24	17	11	19

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)097

(Question Serial No. 4884)

Head: (116) Official Receiver's Office
Subhead (No. & title): (-) Not Specified
Programme: (-) Not Specified
Controlling Officer: Official Receiver (MCKENNA Phyllis)
Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding the work in relation to the Code on Access to Information, will the Government advise this Committee on the following:

- 1) Concerning the requests for information under the Code on Access to Information received by the Official Receiver's Office from October 2018 to present for which only some of the required information has been provided, please state in table form: (i) the content of the requests for which only some of the required information has been provided; (ii) the reasons for providing some of the information only; (iii) whether the decision on withholding some of the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines on Interpretation and Application); (iv) whether the decision on withholding some of the information was made subject to a "harm or prejudice test", i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines on Interpretation and Application)? If yes, please provide the details of how the requests have been handled eventually.

From October to December 2018

(i) Content of the requests for which only some of the required information was provided	(ii) Reasons for providing some of the information only	(iii) Whether the decision on withholding some of the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines on Interpretation and Application)	(iv) Whether the decision on withholding some of the information was made subject to a "harm or prejudice test", i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines on Interpretation and Application). If yes, please provide the details.

2019

(i) Content	(ii)	(iii) Whether the	(iv) Whether the decision on

of the requests for which only some of the required information was provided	Reasons for providing some of the information only	decision on withholding some of the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines on Interpretation and Application)	withholding some of the information was made subject to a “harm or prejudice test”, i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines on Interpretation and Application). If yes, please provide the details.

2) Concerning the requests for information under the Code on Access to Information received by the Official Receiver’s Office from October 2018 to present for which the required information has not been provided, please state in table form: (i) the content of the requests refused; (ii) the reasons for refusal; (iii) whether the decision on withholding the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines on Interpretation and Application); (iv) whether the decision on withholding the information was made subject to a “harm or prejudice test”, i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines on Interpretation and Application)? If yes, please provide the details of how the requests have been handled eventually.

From October to December 2018

(i) Content of the requests refused	(ii) Reasons for refusal	(iii) Whether the decision on withholding the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines on Interpretation and Application)	(iv) Whether the decision on withholding the information was made subject to a “harm or prejudice test”, i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines on Interpretation and Application). If yes, please provide the details.

2019

(i) Content of the requests refused	(ii) Reasons for refusal	(iii) Whether the decision on withholding the information was made at the directorate (D1 or D2) level (according to paragraph 1.8.2 of the Guidelines on Interpretation and Application)	(iv) Whether the decision on withholding the information was made subject to a “harm or prejudice test”, i.e. whether the public interest in disclosure of such information outweighs any harm or prejudice that could result from disclosure (according to paragraph 2.1.1 of the Guidelines on Interpretation and Application). If yes, please provide the details.

- 3) Any person who believes that a department has failed to comply with any provision of the Code on Access to Information may ask the department to review the situation. Please advise this Committee in each of the past 5 years, (i) the number of review cases received; (ii) the number of cases, among the review cases received in the year, in which further information was disclosed after review; (iii) whether the decisions on review were made at the directorate (D1 or D2) level.

Year in which review cases were received	(i) Number of review cases received	(ii) Number of cases, among the review cases received in the year, in which further information was disclosed after review	(iii) Whether the decisions on review were made at the directorate (D1 or D2) level
2015			
2016			
2017			
2018			
2019			

- 4) With reference to the target response times set out in paragraphs 1.16.1 to 1.19.1 of Guidelines on Interpretation and Application of the Code on Access to Information, please advise this Committee on the following information by year in table form (with text descriptions).

(a) Within 10 days from date of receipt of a written request:

	Number of requests for which the information requested was provided	Number of requests involving third party information for which the information requested could not be provided	Number of requests for which the information requested could not be provided since the requests had to be transferred to another department which held the information under request	Number of requests for information which were refused under the exemption provisions in Part 2 of the Code on Access to Information	Number of applications which the applicants indicated that they did not wish to proceed with and withdrew since they did not accept the charge
2020					
2019					
2018					
2017					
2016					

Within 10 to 21 days from date of receipt of a written request:

	Number of requests for which the information requested was provided	Number of requests involving third party information for which the information requested could not be provided	Number of requests for which the information requested could not be provided since the requests had to be transferred to another department which held the information under request	Number of requests for information which were refused under the exemption provisions in Part 2 of the Code on Access to Information	Number of applications which the applicants indicated that they did not wish to proceed with and withdrew since they did not accept the charge

	on requested was provided	the information requested could not be provided	since the requests had to be transferred to another department which held the information under request	exemption provisions in Part 2 of the Code on Access to Information	wish to proceed with and withdrew since they did not accept the charge
2020					
2019					
2018					
2017					
2016					

Within 21 to 51 days from date of receipt of a written request:

	Number of requests for which the information requested was provided	Number of requests involving third party information for which the information requested could not be provided	Number of requests for which the information requested could not be provided since the requests had to be transferred to another department which held the information under request	Number of requests for information which were refused under the exemption provisions in Part 2 of the Code on Access to Information	Number of applications which the applicants indicated that they did not wish to proceed with and withdrew since they did not accept the charge
2020					
2019					
2018					
2017					
2016					

(b) cases in which information could not be provided within 21 days from date of receipt of a request in the past 5 years:

Date	Subject of information requested	Specific reason

(c) cases in which information could not be provided within 51 days from date of receipt of a request in the past 5 years:

Date	Subject of information requested	Specific reason

5) Please state in table form the number of those, among the cases in which requests for information were refused under the exemption provisions in Part 2 of the Code on Access to Information, on which the Privacy Commissioner for Personal Data was consulted when they were being handled in the past 5 years. For cases on which advice had been sought, was it fully accepted in the end? For cases where the advice of the Privacy Commissioner for Personal Data was not accepted or was only partially accepted, what are the reasons?

Date	Subject	Particular exemption	Whether the	Reasons for

		provision in Part 2 of the Code on Access to Information under which requests for information were refused	advice of the Privacy Commissioner for Personal Data was fully accepted	refusing to accept or only partially accepting the advice of the Privacy Commissioner for Personal Data

Asked by: Hon CHAN Tanya (LegCo internal reference no.: 454)

Reply:

- 1) From October 2018 to December 2019, none of the requests for information made under the Code on Access to Information (the Code) to the Official Receiver's Office (ORO) was met in part.
- 2) From October 2018 to December 2019, none of the requests for information made under the Code to the ORO was refused.
- 3) From 2015 to 2019, the ORO did not receive any request for review.
- 4)(a) Relevant information for the period from 2016 to 2019 is set out below while information for 2020 is not available.

Year	Number of requests for which the information requested was provided	Number of requests involving third party information for which the information requested could not be provided	Number of requests for which the information requested could not be provided since the requests had to be transferred to another department which held the information under request	Number of requests for information which were refused under the exemption provisions in Part 2 of the Code	Number of applications which the applicants indicated that they did not wish to proceed with and withdrew since they did not accept the charge
<i>(a) Within 10 days from the date of receipt of a written request:</i>					
2019	1	0	0	0	0
2018	2	0	0	0	0
2017	0	0	0	0	0
2016	2	0	0	0	0
<i>(b) Within 10 to 21 days from the date of receipt of a written request:</i>					
2019	0	0	0	0	0
2018	0	0	0	0	0
2017	0	0	0	0	0
2016	6	0	0	0	0
<i>(c) Within 21 to 51 days from the date of receipt of a written request:</i>					

2019	0	0	0	0	0
2018	0	0	0	0	0
2017	0	0	0	0	0
2016	0	0	0	0	0

- (b) From 2016 to 2019, none of the requests for information made under the Code to the ORO could not be responded to within 21 days from the date of receipt.
 - (c) From 2016 to 2019, none of the requests for information made under the Code to the ORO could not be responded to within 51 days from the date of receipt.
- 5) From 2016 to 2019, there was no case in which request for information was refused by the ORO under the exemption provisions in Part 2 of the Code on Access to Information.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)098

(Question Serial No. 6084)

Head: (116) Official Receiver's Office

Subhead (No. & title): (-) Not Specified

Programme: (1) Official Receiver's Office

Controlling Officer: Official Receiver (MCKENNA Phyllis)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

- a. Please set out the quantity, value and stock of surgical masks produced by the Correctional Services Department (CSI masks) that the Official Receiver's Office obtained from the Government Logistics Department (GLD) each month in the past 3 years in the following table:

Month/Year	No. of CSI masks obtained	Value of CSI masks obtained	Stock of CSI masks

- b. Please set out the quantity, value, stock and consumption of surgical masks that the Official Receiver's Office obtained from the GLD or procured each month in the past 3 years in the following table:

Month/Year	No. of surgical masks obtained from GLD (value)	No. of surgical masks procured (value)	Stock	Consumption

- c. Please set out the quantity, value, stock and consumption of N95 masks that the Official Receiver's Office obtained from the GLD or procured each month in the past 3 years in the following table:

Month/Year	No. of N95 masks obtained from GLD (value)	No. of N95 masks procured (value)	Stock	Consumption

- d. Please set out the quantity, value, stock and consumption of gowns that the Official Receiver's Office obtained from the GLD or procured each month in the past 3 years in the following table:

Month/Year	No. of gowns obtained from GLD (value)	No. of gowns procured (value)	Stock	Consumption

- e. Please set out the quantity, value, stock and consumption of protective coverall suits that the Official Receiver's Office obtained from the GLD or procured each month in the past 3 years in the following table:

Month/Year	No. of protective coverall suits obtained from GLD (value)	No. of protective coverall suits procured (value)	Stock	Consumption

- f. Please set out the quantity, value, stock and consumption of face shields that the Official Receiver's Office obtained from the GLD or procured each month in the past 3 years in the following table:

Month/Year	No. of face shields procured	Value of face shields procured	Stock of face shields	Consumption

- g. Please set out the quantity, value, stock and consumption of goggles that the Official Receiver's Office obtained from the GLD or procured each month in the past 3 years in the following table:

Month/Year	No. of goggles procured	Value of goggles procured	Stock of goggles	Consumption

- h. Did the Official Receiver's Office supply or sell surgical masks, N95 masks, face shields, goggles, gowns and protective coverall suits to other organisations in the past 3 years? If yes, please provide the relevant information, including the quantity, consumption and stock, in the following table:

Month/Year	Name of organisations	Manner of provision (e.g. sold or supplied for free)	Surgical masks	N95 masks	Face shields	Goggles	Gowns	Protective coverall suits

- i. If the Official Receiver's Office is to supply or sell surgical masks, N95 masks, face shields, goggles, gowns and protective coverall suits to other organisations, what are the departments and the ranks of the officers responsible for making such decisions? Please provide the ranks of the officers involved in each decision, the date they made the decision and other relevant information.

Asked by: Hon MO Claudia (LegCo internal reference no.: 173)

Reply:

In light of the surging global demand for personal protective equipment (PPE), the Government is facing intense competition in the procurement work. At this stage, it is considered not appropriate for departments to publicly disclose specific information relating to PPE, such as the stock, procurement quantity, price and consumption in order not to weaken the bargaining power of the Government Logistics Department and individual departments when they make the procurement. The Official Receiver's Office has not provided any PPE to other organisations.

- End -