

Result of the tenders of the People's Bank of China RMB Bills held on May 15, 2019

The following is issued on behalf of the Hong Kong Monetary Authority:

Result of the tenders of the People's Bank of China RMB Bills held on May 15, 2019

Tender Result

Tender Date : May 15, 2019

Bills available for Tender : Three-month RMB Bills

Issuer : The People's Bank of China

Issue Number : BCMKFP19018

Issue Date : May 17, 2019

Maturity Date : August 16, 2019 (or the closest coupon payment date)

Application Amount : RMB 49,238 million

Issue Amount : RMB 10,000 million

Average accepted Coupon Rate : 2.87 %

Highest accepted Coupon Rate (Bills' Coupon) : 3.00 %

Lowest accepted Coupon Rate : 2.48 %

Allocation Ratio : Approximately 91.28 %

Tender Result

Tender Date : May 15, 2019

Bills available for Tender : One-year RMB Bills
:
Issuer : The People's Bank of China
Issue Number : BCMKFP19019

Issue Date : May 17, 2019

Maturity Date : May 17, 2020 (or the closest coupon payment date)

Application Amount : RMB 51,675 million

Issue Amount : RMB 10,000 million

Average accepted Coupon Rate : 2.96 %

Highest accepted Coupon Rate
(Bills' Coupon) : 3.10 %

Lowest accepted Coupon Rate : 2.68 %

Allocation Ratio : Approximately 8.19 %

[LCQ5: Development of the Chinese medicine industry](#)

Following is a question by Dr the Hon Elizabeth Quat and a written reply by the Secretary for Food and Health, Professor Sophia Chan, in the

Legislative Council today (May 15):

Question:

To promote the development of the Chinese medicine (CM), the Government has allocated \$500 million to establish a dedicated Chinese Medicine Development Fund. One of the aims of the Fund is to assist local CM traders in the production and registration of Chinese proprietary medicines. The Government also plans to amend the definition of "proprietary Chinese medicine" in the Chinese Medicine Ordinance (Cap. 549). Regarding the development of the CM industry, will the Government inform this Council:

(1) whether it will amend Cap. 549 to require single CM granules that are supplied to CM practitioners for dispensing a prescription to undergo proprietary CM registration, so as to align the requirements for them with those for compound CM granules and other single CM granules that are sold publicly; if so, of the details; if not, the reasons for that;

(2) given that some CM practitioners have pointed out that as various CMs in a herbal formula, upon being boiled together, may produce new ingredients with therapeutic effects, single CM granules prescribed for the same formulae may not necessarily have the same therapeutic effects, whether the Government knows the reasons why the 18 Chinese Medicine Centres for Training and Research under the Hospital Authority have ceased to prescribe compound CM granules for patients since April 1 last year;

(3) given that the registration requirements of new CM involve prolonged and costly clinical trials and medicinal tests, and the Hong Kong market is of a small scale, whether the Government will consider discussing with the Mainland authorities the setting up of a mutual recognition system of CM registration between the two places; if so, of the details; if not, the reasons for that; and

(4) whether it will consider conducting clinical medicinal tests in the CM hospital upon its commissioning in future, with a view to promoting the development of the CM industry in Hong Kong; if so, of the details; if not, the reasons for that?

Reply:

President,

My reply to the four parts of the question is as follows:

(1) Currently, products that fall within the definition of proprietary Chinese medicine (pCm) in the Chinese Medicine Ordinance (Cap. 549) (CMO) must be registered with the Chinese Medicines Board established under the Chinese Medicine Council of Hong Kong (CMCHK) before they can be imported, locally manufactured and sold. pCm means any proprietary product –

(a) composed solely of the following as active ingredients:

- (i) any Chinese herbal medicines (Chms); or
 - (ii) any materials of herbal, animal or mineral origin customarily used by the Chinese; or
 - (iii) any medicines and materials referred to in subparagraphs (i) and (ii) respectively;
- (b) formulated in a finished dose form; and
 - (c) known or claimed to be used for the diagnosis, treatment, prevention or alleviation of any disease or any symptom of a disease in human beings, or for the regulation of the functional states of the human body.

In general, Chinese medicine (CM) granules must be registered with the Chinese Medicines Board before they can be imported, locally manufactured and sold. However, the CMO and its subsidiary legislation also exempt some pCms from registration, such as pCms compounded by CM practitioners (CMPs) for individual patients and pCms manufactured by local manufacturers entrusted by CMPs. CMPs must fulfill their professional responsibility to ensure the safety, quality and efficacy of the compound pCms concerned. On the other hand, single CM granules, when supplied to CMPs for dispensing a prescription to replace any medicinal decoction pieces, fall into the category of Chms specified in Schedule 1 or 2 of the CMO, and are subject to the licensing system for CM traders under the CMO.

The Department of Health (DH) has put in place a stringent regulatory system for Chms and pCms. All registered pCms and the Chms listed in the Schedules to the CMO are within the scope of the DH's market surveillance system. The DH conducts regular inspections on licensed CM traders, takes samples of registered pCms (including CM granules) and Chms from wholesalers and retailers for testing as well as investigations and tests proactively. Therefore, pCms that CMPs purchased from pCm wholesalers/manufacturers and Chms that CMPs purchased from Chm wholesalers are regulated and monitored under the existing system.

To provide safe and efficacious CMs for patients, CMPs should source supply from reputable licensed Chms wholesalers, and should not purchase Chms of unknown composition or source. If a CMP has conducted himself in a way which has fallen short of the reasonable standards of conduct expected among his professional colleagues in the course of operating business, it may constitute a professional misconduct, and will be dealt with seriously by the CMPs Board and the Disciplinary Committee of CMPs established under the CMCHK.

(2) The Hospital Authority (HA) has established an open and transparent tendering mechanism to procure CM products that meet the statutory requirements and the relevant quality standards from the market for patients' use. The HA will accept tenders for CM products and consider their tender prices on the conditions that the tenderers concerned as well as their products meet the statutory, safety and quality requirements as stated in the invitation to tender.

In addition, CMPs are required to conform with the CM theories and clinical situations of the patients concerned in prescribing suitable CM

products. At present, processed Chms and CM granules are available in the 18 CM Centres for Training and Research for CMPs to facilitate their provision of appropriate CM services for patients.

As far as the tendering of CM granules for prescription is concerned, both single CM granules and compound CM granules are among the tender items. The former is a mandatory supply item whereas the latter is optional. Regarding the contract mentioned in the question that has been effective since April 1, 2018, the tenderer selected by the HA under the above-mentioned tendering mechanism has met the requirements specified in the tender. Compound granular products that are not provided by the successful tenderer are optional supply items.

The HA will review tenders for CM products on a regular basis, and will make timely adjustments in response to the market development and clinical service needs.

(3) Hong Kong and the Mainland implement different registration systems for regulating CM products under their respective legal and statutory regulatory framework. Currently, there is no direct mutual recognition arrangement for product registration between the two places. To further promote and encourage CM development in Hong Kong, the Government will explore with the Mainland on how to facilitate the use of Hong Kong registered pCms in the Mainland. The Government will also encourage, fund and support research, registration and development of CM in Hong Kong through the \$500 million CM Development Fund.

(4) Leading and promoting scientific research and development of CM (including pCms) in Hong Kong is one of the main objectives of the future CM Hospital (CMH). The CMH will collaborate with the local universities (including the three universities with Schools of CM) and also local or educational institutions in other places to promote and conduct evidence-based clinical scientific research (CM and Integrated Chinese-Western Medicine), in-depth studies on CM theories and research on the clinical application of pCms. Facilities including a clinical trial and research centre will be set up in the planned CMH for conducting clinical trials at different stages. Supported by clinical services as well as CM and scientific research talent of the CMH, the centre will serve as a development platform for research on new pCms and enhancing the treatment efficacy of registered pCms.

LCQ1: Manpower development of and professional recognition for

information technology industry

Following is a question by the Hon Charles Mok and a written reply by the Secretary for Innovation and Technology, Mr Nicholas W Yang, in the Legislative Council today (May 15):

Question:

Some practitioners of the information technology (IT) industry (including the communications industry) have relayed that the ever-evolving technological development makes it necessary for them to pursue continuing education through multiple pathways in order to stay competitive. They hope that their professional status can enjoy a higher recognition and their advancement paths can be clearer. In 2015, the Task Force on Information and Communications Technology Professional Development and Recognition (the Task Force) established under the Digital 21 Strategy Advisory Committee published a report (the report), putting forward recommendations on the establishment of a unified framework for IT professional recognition (the unified framework). However, the Task Force opined that as members of the industry had not reached a consensus on the implementation details, it would be difficult to implement the unified framework right away. Regarding the manpower development of and the enhancement of practitioners' professional status in the IT industry, will the Government inform this Council:

(1) with regard to the five recommendations made by the Task Force in the report for facilitating various stakeholders in reaching a consensus on the establishment of the unified framework, of the work progress made by the Government in following up such recommendations;

(2) whether it will, in the light of the recommendations of the report, formulate afresh a long-term plan for the manpower development of the IT industry, with a view to enhancing the recognition for and professional status of the practitioners; if so, of the details; if not, the reasons for that; and

(3) whether it will follow up the matters relating to the establishment of the unified framework, including:

(i) enhancing the proposed framework put forward by the Task Force by drawing reference from international practices and consulting afresh the practitioners in the industry in this regard; if so, of the work schedule (including the target time for completion of the relevant work);

(ii) exploring ways to introduce flexibility to the unified framework to dovetail with the changes in the market's demand for IT professional skills and to encompass novel modes of continuing education so as to ensure that the framework can keep abreast of the time; and

(iii) consulting the business sector afresh on the unified framework, and

launching mitigation measures to assist small and medium enterprises in coping with the issue of increase in operating costs that might arise from the unified framework?

Reply:

President,

A consolidated reply to the three-part-question is set out below.

The Task Force on Information and Communications Technology (ICT) Professional Development and Recognition (Task Force) under the then Digital 21 Strategy Advisory Committee was set up by the Government in 2012 to conduct research on establishing a unified professional recognition framework for local ICT professionals (the Proposed Framework). In its report released in September 2015, the Task Force pointed out that as the industry and public had not reached a general consensus on the relevant issues of the Proposed Framework, including the credibility and transparency of the awarding body of the Proposed Framework, impact of the Proposed Framework on the operating costs of small and medium-sized enterprises, whether the introduction of the Proposed Framework would dampen innovation and creativity, and raise the entry barrier for pursuing a career in ICT, etc., it would be very difficult to implement the Proposed Framework. Nowadays, with the rapid development of ICT, the qualification requirements of ICT practitioners in the industry keep evolving with the emergence of new technologies. This adds to the difficulty in setting up a unified professional recognition framework. As such, the Government currently does not have any plan to further follow up on the establishment of a unified professional recognition framework nor to consult stakeholders again on this subject.

In the past few years, the Office of the Government Chief Information Officer (OGCIO) together with relevant government departments and organisations have implemented numerous measures to nurture ICT talent in the industry with reference to recommendations of the report and the latest development of information technology (IT) and the Internet economy, details of which are elaborated below:

- (a) setting up the "Student IT Corner" website to provide students and parents with IT-related information;
- (b) setting up the "IT Career Role Models Platform" to provide students with information on IT positions and career prospects in different industries;
- (c) organising the annual Hong Kong ICT Awards and establishing the award categories of Startup Award and Student Innovation Award to recognise local start-ups and outstanding ICT inventions and applications made by students;
- (d) implementing the Enriched IT Programme in Secondary Schools to provide funding support for secondary schools to organise various types of IT activities to create more opportunities for students to learn about IT outside the school curriculum with an aim to fostering an IT learning

atmosphere in schools and cultivating students' interest in IT;

(e) the OGCIO collaborates with the industry and professional bodies to organise conferences, thematic seminars and workshops to promote professional accreditation in information security and enhance IT practitioners' knowledge and skills in information security;

(f) the Cyberport organises the Digital Tech Internship Programme to subsidise and arrange local university students to take up internships in renowned overseas, Mainland and local enterprises or start-ups;

(g) the School of Professional and Continuing Education of The University of Hong Kong (HKU SPACE) launched in 2018 the first part-time Diploma in eSports Science programme at Level 3 under the Qualifications Framework. The Open University of Hong Kong and HKU SPACE will launch an e-sports-related Bachelor programme and a full-time Higher Diploma programme in September 2019 respectively;

(h) the Innovation and Technology Commission launched the Reindustrialisation and Technology Training Programme in August 2018 to subsidise local enterprises on a 2:1 matching basis for their staff to receive technology training covering different technology areas including IT; and

(i) planning to launch the IT Innovation Lab in Secondary Schools initiative to provide a maximum funding of \$1 million to each publicly-funded secondary school in Hong Kong in the three school years from 2019/20 to 2021/22 for procuring IT equipment and organising IT-related extra-curricular activities.

[LCQ15: Carrying out alteration works for public rental housing flats](#)

Following is a question by the Hon Andrew Wan and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (May 15):

Question:

It is learnt that at present, upon receipt of the recommendations from subvented social welfare organisations or healthcare workers (e.g. occupational therapists) of the Hospital Authority, the Housing Department (HD) will carry out alteration works for the facilities in the public rental housing (PRH) units in which the elderly and persons with disabilities reside, so as to facilitate their daily living. In addition, at a recent meeting of the Panel on Housing of this Council, HD officials indicated that upon receipt of the applications from elderly PRH tenants for installation of

grab rails or alteration of shower facilities in the toilets of their units, HD would schedule a date for carrying out such works. In this connection, will the Government inform this Council:

(1) of the current number of elderly PRH tenants awaiting HD to alter the facilities in their units (with a breakdown by PRH estate), and the estimated time, manpower and costs needed for completing the works;

(2) of the average time taken by HD in the past three years from the receipt of the aforesaid recommendations to the completion of the works concerned, and the procedure involved;

(3) of the number of applications for alteration of facilities in PRH units that were referred by the Total Maintenance Scheme personnel under HD in the past five years to healthcare workers or occupational therapists for assessment; and

(4) whether HD will install, free of charge, facilities other than grab rails in the toilets in the units in which elderly PRH tenants reside only upon receipt of the recommendations from occupational therapists; if so, whether HD will relax this requirement by stipulating that as long as the tenant is a "singleton elderly person" or an "all elderly household", or a referral has been made by a social worker, HD will carry out such installation works on the tenant's request, so as to shorten the tenant's waiting time?

Reply:

President,

My consolidated reply to the Hon Andrew Wan's question is set out below:

With the rapidly increasing elderly population in Hong Kong, the Government's policy is to achieve "ageing in place as the core, institutional care as back-up". The Government is of the view that, with adequate community care and support, many elderly persons with long-term care needs can still continue to age in their own place. To this end, the Government aims to strengthen community care services to enable elderly persons to stay in the community as far as possible so as to lessen their need for institutionalisation.

In view of the above objectives, the Hong Kong Housing Authority (HA) has put in place a set of established policies to provide home modification/adaptation works in public rental housing (PRH) units for elderly and disabled tenants, so as to afford them a suitable environment to carry out daily activities safely and independently. Elderly PRH tenants and other tenants in need (such as wheelchair users) may make relevant applications through their corresponding Estate Management Office (EMO). The duration of home modification/adaptation works depends on their complexity. In general, works can be completed within two to five weeks. HA has not maintained statistics on the home modification/adaptation works carried out in PRH units of elderly tenants.

HA currently installs grab rails in bathrooms and converts the bath tub

into a shower area for elderly and disabled tenants free of charge. These works do not require referrals from medical officers, occupational therapists/physiotherapists or social workers. For other modification works, HA will decide whether it is necessary to consult medical officers or occupational therapists/physiotherapists subject to the actual need of a case. With tenants' consent, HA may also refer cases to the Social Welfare Department or medical social workers for professional advice before carrying out specific modification works. HA believes that such arrangement will better meet the tenants' needs. If there is a need for home modification/adaptation works arising from health conditions, tenants may submit applications to EMOs at any time.

Furthermore, under the Total Maintenance Scheme (TMS), HA proactively inspects the in-flat conditions and provides necessary repair services for PRH units aged 10 years or above. HA inspects units in buildings aged between 10 and 30 years every 10 years. For buildings aged over 30 years old, the frequency is increased to every five years. The objective of TMS is to provide preventive repair and maintenance services to tenants. In-flat Inspection Ambassadors and maintenance workers will arrange minor repairs on the spot upon inspection; and will arrange contractors to make appointments with the tenants to follow up on more complicated works.

[LCQ9: Provision of training on innovation and technology for working people](#)

Following is a question by the Hon Chan Chun-ying and a written reply by the Secretary for Innovation and Technology, Mr Nicholas W Yang, in the Legislative Council today (May 15):

Question:

It has been reported that some experts have pointed out that the development of artificial intelligence (AI) (including robotics) has made progress in leaps and bounds in recent years, and it is estimated that AI will be competent for performing 50 per cent of the jobs of human beings in 10 years from now. As such, working people need to receive retraining to meet the manpower needs of the new era. In this connection, will the Government inform this Council:

(1) given that the Human Resources Planning Commission, chaired by the Chief Secretary for Administration, has initially examined and discussed the impacts of automation on human resources and the labour market, whether the Government will conduct an in-depth study on the subject and submit a report;

if so, of the timetable; if not, the reasons for that;

(2) given that in Singapore, a trades union has, since 2017, partnered with a tertiary institution there to provide classroom and online courses on financial technologies (Fintech) for local professionals, managers and executives, whether the Government will draw reference from such an initiative and help the local banking practitioners keep abreast of the latest Fintech knowledge; if so, of the details; if not, the reasons for that;

(3) given that the Government introduced the Reindustrialisation and Technology Training Programme in August last year to encourage enterprises to arrange technology training for their staff, whether applications from the financial industries (including the banking sector) have been received since the Programme was launched; if so, of the number of such applications approved; if not, whether the Government has identified the causes for not receiving any application from such industries; and

(4) as it has been reported that a multinational computer technology enterprise opened an AI school in Paris last year to provide a free-of-charge seven-month technology training course and a one-year internship to enable the local working people to change their career paths, whether the Government will draw reference from such an initiative and invite multinational computer technology enterprises to organise in Hong Kong free training courses on automation, AI or Fintech, etc for local working people; if so, of the timetable; if not, the reasons for that?

Reply:

President:

Artificial Intelligence (AI) has been made available for over 60 years and experienced numerous ups and downs in history. The development of AI and robotics have gradually brought about changes to the operational modes and job requirements of various industries. However, in every wave of AI, people could always create more and better opportunities and new job positions amid changes. To maintain and enhance competitiveness in the complex and evolving environment in future, the local labour force should continuously absorb and update their knowledge and skills, in order to grasp the opportunities brought by technology development.

Having consulted relevant Government bureaux and departments, our reply to the four parts of Hon Chan's question is as follows:

(1) According to the Human Resources Planning and Poverty Co-ordination Unit, the analysis of the Human Resources Planning Commission aims at examining the impact of automation technologies, including AI, robotics and machine learning, etc, on the human resources and labour market of Hong Kong from a macro perspective. The analysis shows that the impact of automation differs for different industries and sectors depending on the constituent job tasks, operational modes and business needs as well as the pace of adoption and

application of technology in different industries or corporations. As the framework of the analysis was broad-based, it could not examine the impact of automation on specific industries. Relevant industries and bureaux/departments would take into account the situation of specific industries and consider looking into the impact of automation on those industries with a view to formulating appropriate business and manpower strategies.

(2) According to the Financial Services and the Treasury Bureau, the Government has all along been encouraging and assisting local financial practitioners to enhance their knowledge of Fintech, including co-operating with the industry to provide Fintech-related training courses. Local tertiary institutions, industry associations (such as the Hong Kong Institute of Bankers), and technology training providers (such as the Vocational Training Council) provide full-time or part-time professional training courses in the areas of Fintech and related topics (such as cyber security, anti-money laundering and counter-terrorism financing) at various levels, which aim to help local financial practitioners grasp the latest Fintech knowledge. The Government and the industry have also offered various training programmes to enhance the digital literacy of practitioners of the financial services industry. For example, under the Pilot Programme to Enhance Talent Training for the Insurance Sector and the Asset and Wealth Management Sector, industry associations can apply for subsidy to conduct training courses to enhance wider adoption of innovative technology among practitioners. In addition, the University of Hong Kong, together with the Cyberport and other industry players, have launched Asia's first Fintech Massive Open Online Course in 2018 for practitioners of, among others, the financial services industry to enroll. Since 2017, the Institute of Financial Technologists of Asia has also launched a globally recognised certification programme in finance and technology designed for practicing and aspiring financial technologists.

Along with the rapid Fintech development in Hong Kong over the past few years, the number of related courses has been increasing. We will continue to keep abreast of the latest market developments and continue to engage in close dialogue with the finance industry, the Fintech industry, institutions and organisations to promote Fintech talent development in Hong Kong.

(3) Since its launch in August 2018, the Reindustrialisation and Technology Training Programme has approved seven training grant applications submitted by finance-related enterprises, subsidising 29 staff of local enterprises to receive technology training under four public courses and one tailor-made course.

(4) The Hong Kong Science and Technology Parks Corporation collaborates with international and Mainland technology enterprises from time to time to organise free seminars and workshops on AI, robotics technology and Fintech for local I&T enterprises with a view to providing further training opportunities to the industry.

In 2018, the Cyberport invited representatives of multi-national technology and finance companies to conduct a number of free workshops and

seminars on AI, blockchain and Fintech for start-ups and small-to-medium-sized enterprises. These events were attended by nearly 200 people. A few internationally technology companies which have or will set up offices at the Cyberport under the Easy Landing Scheme will also provide training, exchange and collaboration opportunities for the Cyberport community members.

In addition, the Hong Kong Applied Science and Technology Research Institute, in collaboration with the Hong Kong Institute of Bankers and the Council of Registered Ethical Security Testers International (CREST, a cyber security certification body in the United Kingdom), has been conducting CREST-certified professional cyber security training programmes for the banking sector since 2016.