

LCQ1: Prevention and control of mosquito and rodent problems

Following is a question by the Hon Vincent Cheng and a reply by the Secretary for Food and Health, Professor Sophia Chan, in the Legislative Council today (May 30)

Question:

Some members of the public have relayed to me that poor environmental hygiene in the community will easily cause mosquito and rodent problems, posing direct threat to public health. As hot weather has come back in recent days and the rainy season is approaching, mosquitoes, insects and rodents breed easily, resulting in the risk of an outbreak of infectious diseases growing day by day. It is learnt that a number of District Councils (DCs) have relayed to the authorities that the environmental hygiene at certain streets is unsatisfactory and is even worsening, including illegal dumping of construction waste and illegal littering by members of the public, accumulation of water and food remnants in rear lane drains, etc. Regarding the prevention and control of mosquito and rodent problems, will the Government inform this Council:

(1) given that the Ovitrap Index, which mainly serves to survey the infestation of *Aedes albopictus*, has been formulated for a number of years since 2000, whether the Government will review and improve the Index, including the extension of the surveillance scope to cover the infestation of other mosquitoes and insects, such as Culicine mosquitoes which may transmit Japanese encephalitis, Anopheline mosquitoes which may transmit malaria, as well as biting midges which feed on blood and whose bites produce seriously itchy welts; if so, of the implementation time; if not, the reasons for that;

(2) as a number of members of the public and DCs have complained that the rodent problem of the old districts and districts where many restaurants are located is very serious, and traits of rodents can be found everywhere at night, but the Rodent Infestation Rates (RIRs) in those districts as recorded by the Food and Environmental Hygiene Department (FEHD) are on the low side, whether the Government has studied if RIRs can reflect the actual situation; if so, of the details; as it is learnt that the FEHD completed the first phase of the Anti-rodent Campaign in March this year, of the effectiveness of the Campaign, including the numbers of dead rodents collected and live rodents caught; and

(3) as the Government is installing Internet Protocol (IP) cameras at various hygiene black spots in phases to collect evidence of illegal dumping of refuse by offenders with a view to strengthening the deterrent effect, but the locations selected for installing IP cameras in the first phase are mostly places located outside refuse collection points, of the reasons why the Government has not accepted the several installation locations proposed

by DCs such as rear lanes; whether it will consider coordinating various government departments in installing IP cameras at the locations proposed by DCs in future?

Reply

President,

The Government has always strived to maintain the environmental hygiene in Hong Kong, including carrying out mosquito and rodent control. My reply to the Hon Vincent Cheng's question is as follows:

(1) The Food and Environmental Hygiene Department (FEHD) reviews the dengue vector surveillance (DVS) annually as part of the efforts to step up control of *Aedes albopictus*. In response to the local dengue fever cases reported in 2016 and 2017, urban development as well as requests from the public and District Councils (DCs), a total of five additional areas will be covered by the DVS programme starting from July 2018. The survey frequency will also be increased from one week per month to two weeks per month. To strengthen surveillance at the border, the survey frequency at border control points will be increased from two weeks per month to weekly basis.

The FEHD has also devised surveillance programmes targeting Culicine and Anopheline mosquitoes, which are vectors of Japanese encephalitis (JE) and malaria respectively. Culicine mosquitoes are mostly found in the countryside, particularly in flooded rice fields and water-logged abandoned fields. If these fields are close to pig farms or locations frequented by natural hosts of JE virus, such as waders, Culicine mosquitoes are more likely to get infected, and the risk of JE transmission is higher. Monthly JE vector surveillance exercises have been scheduled since 2015 by the FEHD, covering seven districts with relatively higher risk of JE transmission. In these seven districts, there are either pig farms or locations frequented by waders, or that local JE cases have been reported. As for the surveillance of Anopheline mosquitoes, regular surveys have been carried out since 1980 to collect samples of Anopheline larvae at streams to identify the existence of species responsible for the transmission of malaria in Hong Kong.

As regards the surveillance of biting midges, the World Health Organization has not published guidelines for systematic surveillance targeted at biting midges. According to my understanding, other places like the Mainland, Singapore as well as countries in America and Europe have not formulated any surveillance programmes for biting midges. Biting midges found in Hong Kong are not major vectors of any vector-borne diseases. In response to the problem of biting midges in recent years, the FEHD had, on two occasions, invited an expert studying biting midges from the Mainland to visit Hong Kong, with a view to providing guidance and recommendations to study the local fauna of biting midges in the territory and review the control methodology. Based on the advice of the expert, the FEHD commenced a one-year territory-wide survey in mid-July last year to investigate the species diversity of the midges in Hong Kong, confirm whether there is presence of any disease-carrying biting midges and find out their

distribution. The FEHD will continue to keep in view the biting midges situation in public places through routine inspections and handling of complaints. Control measures against biting midges will be strengthened whenever necessary, while efforts have at the same time been stepped up in the publicity and education work. In view of the public nuisance caused by biting midges earlier, the FEHD will continue to conduct joint operations with the Leisure and Cultural Services Department (LCSD) to strengthen the preventive and control work against biting midges at parks under the management of LCSD and their vicinity.

(2) There is no internationally adopted Rodent Infestation Rate (RIR). When devising the RIR, the FEHD made reference to overseas practices and tried out different methods having regard to a number of factors including local climate, environmental conditions and the habits of rodents. The FEHD considered that adopting the ratio of baits gnawed by rodents as the infestation rate was the most suitable method for Hong Kong. As there have not been major changes in Hong Kong's environment or rodents' habits in recent years, the current survey approach is still appropriate.

As the RIR of a district only assesses the rodent problem in public places within the surveillance areas during the surveillance period, it does not reflect fully the situation of rodent infestation of the district concerned. In addition to the RIR, the FEHD also takes into account the traits left by rodents, complaint figures and views of the local community and the public in targeting rodent prevention and control actions at areas where rodent problems exist.

Noticing that the number of food premises in some districts has increased, the FEHD has, apart from including the rear lanes adjacent to food premises as the target areas of the anti-rodent campaigns, strengthened the cleansing work in these areas. To focus on managing the rodent trouble spots, the FEHD conducted anti-rodent operations in designated target areas in various districts and adopted multi-pronged strategies in selected localities, including cleansing, rodent disinfestation and enforcement action against the survival conditions of rodents, namely food, harbourage and passages. The FEHD staff will enhance street washing and sweeping services at rear lanes where hygiene conditions are relatively poor. Inspections of food premises will be stepped up and public education and enforcement actions will be strengthened. The first round of the anti-rodent operation in designated target areas in various districts was launched in April which will last for two months. The second round operation will commence in October.

The first phase of the territory-wide Anti-rodent Campaign 2018 was completed in March. During the campaign, the FEHD conducted 16 348 inspections, handled 1 147 rat holes, caught 2 337 live rodents and cleared 4 265 dead rodents. The second phase of the campaign will be launched in July and will last for ten weeks.

(3) The FEHD launched a pilot scheme from December 2016 to June 2017 to install camera at hygiene blackspots. Internet Protocol (IP) cameras were installed at six illegal refuse dumping blackspots in Central and Western,

Sham Shui Po and Yuen Long Districts to step up surveillance on illegal dumping of refuse and facilitate the planning of more effective enforcement actions. Given the encouraging results the FEHD decided to extend the scheme to all districts progressively on a trial basis for one year. It has consulted the DCs on the illegal refuse dumping blackspots at which the IP cameras are to be installed, and obtained support from them. On the locations, the FEHD has obtained the support from the DCs on their suggestions on the locations and priority of installation of IP cameras with regard to the seriousness of illegal refuse dumping activity at the blackspots. The FEHD has accepted the locations and priority proposed by the DCs and arrangements have been made accordingly. Some of the proposed spots include rear lanes. If the DCs request changing the locations for camera installation in the future, the FEHD will actively seek to meet their demands so long as the suggestions are technically feasible. The contractor engaged by the FEHD will start to operate the IP cameras next week. If the hygiene conditions of a particular location show improvement, the FEHD may consider adding or re-locating the cameras to other spots according to priority.

LCQ13: Government's resumption of lands

Following is a question by the Hon James To and a written reply by the Secretary for Development, Mr Michael Wong, in the Legislative Council today (May 30):

Question:

Regarding the Government's resumption of lands for public purposes in the past by invoking the Lands Resumption Ordinance (Cap. 124), will the Government inform this Council:

(1) of the number of times since July 1, 1997 for which the Government invoked Cap. 124 to resume lands for:

(i) the development of public housing (including public rental housing estates and Home Ownership Scheme courts), and the details of each case;

(ii) the construction of roads, and the details of each case; and

(iii) other public purposes (with a breakdown by purpose), and the details of each case;

(2) in respect of the land resumption cases mentioned in (1), of the number of cases in which the land owners lodged a judicial review (with a breakdown by outcome of the judicial review), and the average time taken from the

Court's granting of leave for judicial review to its handing down of judgments on the judicial review; and

(3) whether the North East New Territories New Development Areas Planning involves the need for the Government to resume for public purposes lands owned by real estate developers and lands owned by individuals; if so, whether the approaches for resumption of such lands include invoking Cap. 124; if they do, of the details (including whether Cap. 124 has already been invoked so far); if they do not, the reasons for that; if there are other approaches for resumption of such lands, of the details (including the expenditure involved) (set out the details by land owner being a real estate developer or an individual)?

Reply:

President,

My reply to Hon James To's question is as follows:

(1) From July 1, 1997 to December 31, 2017, the Government invoked the Lands Resumption Ordinance (Cap. 124) to resume private land for 154 public works projects and for projects of the Urban Renewal Authority (URA) or its predecessor, the Land Development Corporation (LDC).

Amongst the 154 projects, 13 projects are public housing development projects; 55 projects are in support of development projects of URA or its predecessor, LDC; 2 projects involve new town/comprehensive development areas; 3 projects involve village expansion; and the remaining 81 projects involve construction of drainage channels, rectification works to stream courses, waterworks, construction of schools, markets, recreational facilities and residential care homes for the elderly (RCHEs), and for village resite, etc.

As for projects requiring land resumption for construction of road, sewerage or railway works, the Government would invoke other applicable ordinances to resume land concerned. From July 1, 1997 to December 31, 2017, the Government invoked the Roads (Works, Use and Compensation) Ordinance (Cap. 370) for 150 road projects; the Water Pollution Control (Sewerage) Regulation (Cap. 358AL) for 70 sewerage system projects and the Railways Ordinance (Cap. 519) for 9 railway projects.

(2) There were a total of 8 judicial review cases lodged by owners arising from the invocation of the Lands Resumption Ordinance (Cap. 124) for resumption of private land from July 1, 1997 to December 31, 2017. Details are at the Annex.

(3) For the Kwu Tung North and Fanling North (KTN/FLN) New Development Areas (NDAs) (formerly known as the Northeast New Territories NDAs), as a Government's new town development, the Government will mainly resume and clear the private land planned for developments in the NDAs according to relevant ordinances and undertake the necessary site formation and

infrastructure works with a view to implementing the planned uses. Nonetheless, prior to the land resumption and clearance, the Government allows in-situ land exchange applications from land owners of sites planned for private developments, subject to them meeting the specified criteria and conditions under the enhanced Conventional New Town (CNT) approach. Any development under such a lease modification application is required to ensure timely supply of housing and other facilities. For applications failing to meet the requirements by the timeframe specified for the development programme, the private land concerned would still be resumed by the Government for development.

At present, land resumption work for KTN/FLN NDAs has not fully commenced. Between 2015 and 2017, two private lots of about 1.5 hectares within the boundary of the KTN/FLN NDAs were resumed under the Lands Resumption Ordinance (Cap. 124) to facilitate the construction of a new RCHE complex. The complex will accommodate eligible elderly residents currently living in the existing RCHEs at the Dills Corner Garden, which will be affected by the KTN/FLN NDAs project. Since claims for statutory compensation from the former owners of those two pieces of land are still being processed, the compensation expenditure involved is not available at the moment yet.

Proposed legislative amendments to implement \$200 cap on import and export declaration charges

The Government put forward to the Legislative Council today (May 30) a notice of motion which proposes to amend the Import and Export (Registration) Regulations for capping the charge for each import and export declaration (TDEC) at \$200.

The Secretary for Commerce and Economic Development, Mr Edward Yau, said the amendment would further lower the cost of importing and exporting high-value goods to and from Hong Kong, bringing direct benefit to the local trading and logistics industry and encouraging the industry to move up the value chain.

As announced in the 2018-19 Budget Speech, the proposal seeks to further the Government's strategic objective to develop Hong Kong into a trading, storage, logistics and distribution hub for high-value goods.

"There is strong potential for the Hong Kong cargo and supply chain management industry. Many high-value goods are re-exported and distributed through Hong Kong. The proposed cap is expected to save the trade about \$458 million a year and benefit about 900 000 TDEC cases involving goods at a

value above \$1.644 million, further strengthening Hong Kong's position as a trading hub," Mr Yau said.

The Legislative Council Panel on Commerce and Industry at its meeting in April indicated its support for the Government's proposed legislative amendments.

The amendments, as set out in the Import and Export (Registration) (Amendment) Regulation 2018, will be introduced into the Legislative Council for approval by positive vetting procedures on June 20. Subject to the passage of the resolution within the current legislative session, the amendments will come into effect on August 1.

[LCQ19: Opening of bank accounts by enterprises](#)

Following is a question by the Hon Kenneth Leung and a written reply by the Acting Secretary for Financial Services and the Treasury, Mr Joseph Chan, in the Legislative Council today (May 30):

Question:

To address the problem that quite a number of enterprises have encountered difficulties in opening and maintaining bank accounts, the Hong Kong Monetary Authority (HKMA) issued in September 2016 a circular entitled "De-risking and Financial Inclusion" to authorised institutions, emphasising that the customer due diligence (CDD) measures adopted by banks should be proportionate to the risk level, and that they were not required to implement overly stringent CDD processes. In addition, the HKMA issued a circular entitled "Guideline on Anti-Money Laundering and Counter-Terrorist Financing – Address Verification Requirements" in October 2017 to inform banks that the address verification requirements set out in the "Guideline on Anti-Money Laundering and Counter-Terrorist Financing (for Authorised Institutions)" would be formally removed, and thereafter banks would only be required to collect the address information of the customers. In this connection, will the Government inform this Council:

(1) whether the HKMA knows, since the issue of the aforesaid first circular, the respective numbers of bank account opening (account opening) applications from new enterprises received, approved and rejected by banks each month, and the average time taken for the vetting and approval of the applications; in respect of such applications, (i) how the success rate and the time for the vetting and approval of them compare with those before the issue of the circular, and (ii) the relevant figures of those in which the applicants were overseas enterprises;

(2) of the number of complaints, received by the HKMA since the issue of the aforesaid first circular, about banks rejecting account opening applications from new enterprises; whether the HKMA has compiled statistics on the types of enterprises mainly involved in such applications and the reasons for the rejection; and

(3) whether the HKMA has assessed the effectiveness of the aforesaid second circular in solving the problem of new enterprises experiencing difficulties in opening accounts; if so, of the outcome; if not, whether the HKMA will conduct such an assessment?

Reply:

President,

In the past few years, the strengthening of international efforts in combating money laundering and terrorist financing has in general led the banking industry to enhance their relevant controls, including adopting a more comprehensive customer due diligence (CDD) process for new and existing customers.

The Hong Kong Monetary Authority (HKMA) has been reminding the banking industry that in implementing controls, they should also take care that the access of banking services by legitimate businesses and ordinary citizens should not be impeded. The HKMA has issued guidance to banks over the past two years, reiterating that banks should adopt a risk-based approach in conducting the CDD process. Specifically, banks should apply CDD measures that are commensurate with the different background, circumstances and risk levels of customers. Banks should also maintain proper communication with customers and ensure that the account opening process is transparent, reasonable and efficient, and that customers are treated fairly during the process.

In response to the HKMA's guidance, banks have taken measures to improve the account opening process. Apart from the earlier establishment of a review mechanism to re-examine unsuccessful applications and the provision of interim updates about the progress of applications, to provide greater convenience for customers all retail banks now offer a "pre-vetting" service, whereby applicants are allowed to submit account opening documents via email, fax or mail for initial pre-screening or pre-assessment by banks before attending face-to-face meetings. Some banks have also set up dedicated hotlines and dedicated branches where matters relating to account opening are handled by front-line staff with relevant training. The HKMA requires banks to enhance staff training in the aspects of professional knowledge and customer communication, so as to ensure the proper handling of customer enquiries and complaints.

The following are our specific responses to the questions:

(1) The HKMA has been monitoring the account opening situation. The retail banking sector opens on average about 10 000 new business accounts each month, of which some 60 per cent to 70 per cent belong to SMEs and start-up

companies, including 2 000 new accounts opened by overseas start-up and SMEs. Of the successful cases, about 90 per cent completed the relevant account opening procedures within one month, some 50 per cent to 60 per cent within two weeks, and some as quickly as within a few days. The average unsuccessful rate of account opening applications is below 5 per cent, a substantive improvement from around 10 per cent in early 2016.

(2) In the 20 months running from the issuance of the "De-risking and Financial Inclusion" circular in September 2016 to the end of April this year, the HKMA received a total of 40 complaint cases concerning banks' refusal of account opening applications from corporates, mainly involving those engaged in trading business or financial services. In 11 of these cases, accounts were subsequently opened following reviews by banks. For most of the remaining cases, applications were rejected because applicants were not able to provide the information or documentary proof required by banks.

(3) With reference to international experience, the HKMA issued a circular in October 2017 to remind banks that in ordinary circumstances the opening of savings or current accounts requires only the collection of customers' address information but not its verification as well. Following the issuance of the circular, some banks have implemented the recommendation, while some others are updating their systems to prepare for implementation in the year.

LCQ15: Open Application Programming Interfaces

Following is a question by the Hon Chan Chun-ying and a written reply by the Acting Secretary for Financial Services and the Treasury, Mr Joseph Chan, in the Legislative Council today (May 30):

Question:

In recent years, the Hong Kong Monetary Authority (HKMA) has implemented a number of measures to promote the development of financial technologies. One of such measures is to facilitate the development of Open Application Programming Interfaces (Open API), so that banks may allow access to some of the data of their customers by their working partners (such as credit card companies, Octopus Card Limited, insurance companies, travel agents and online shopping platforms) which have access to their systems. In this connection, will the Government inform this Council:

(1) as there are comments that when banks share customers' sensitive data through Open API, it is of utmost importance to ensure that the data are kept confidential and are not tampered with, whether the HKMA has drawn up rules and guidelines on the provision and receipt of data for compliance by various parties; if so, of the details; if not, the reasons for that;

(2) whether the HKMA has (i) required both the provider and receiver of data to ensure the secure transmission of data, avoid the use of indirect modes of transmission (such as uploading and downloading through the computer server) and prevent data loss and leakage, and (ii) drawn up relevant technical guidelines in this regard; if so, of the details; if not, the reasons for that; and

(3) given that banks in general have to obtain the consent of their customers prior to sharing the data about them with third parties, and to ensure that their customers are kept informed of the status of data sharing, whether the HKMA has plans to remind the public to stay alert to the security of sensitive data in deciding the items of data about them in respect of which they give consent to banks for sharing with third parties; if so, of the details; if not, the reasons for that?

Reply:

President,

Our consolidated reply to the three parts of the question is as follows:

The Hong Kong Monetary Authority (HKMA) attaches great importance of data security and integrity in Open Application Programming Interfaces (Open API). It has therefore included in the Open API consultation paper issued in January 2018 some high-level proposals on the protection of data, and welcomes views from the industry.

At the same time, the HKMA plans to work with the banking industry, after the Open API framework is formally announced, to develop a set of risk-based security and operational guidance for data providers (banks) and data consumers (third party service providers) to follow. The set of guidance will also contain technical standards that are internationally recognised (for example, the use of strong encryption algorithms for external network transmission, sound key management, and sufficient controls to maintain and verify the integrity of information) to ensure that there are sufficient security and protection measures for the use of Open API.

After banks have rolled out Open API, the HKMA plans to work with the industry to conduct public education and provide information to the public, so as to raise their awareness on the pros and cons of sharing personal data under Open API and to allow the public to choose and use Open API products and services wisely.

Besides, if any organisation is involved in the collection, holding, processing and using of personal data, as a data user, it should also comply with the requirements of the Personal Data (Privacy) Ordinance (Cap. 486).