

## LCQ8: Developing industries related to new quality productive forces

Following is a question by the Hon Shang Hailong and a written reply by the Secretary for Innovation, Technology and Industry, Professor Sun Dong, in the Legislative Council today (July 10):

Question:

There are views that the development of new quality productive forces is a key area in the country's Report on the Work of the Government, and also an opportunity for the Hong Kong Special Administrative Region Government to make every effort to promote and leverage its distinctive strengths and economic development. Regarding the development of industries related to new quality productive forces, will the Government inform this Council:

(1) given that, the 2023 Policy Address has proposed to set up a \$10 billion New Industrialisation Acceleration Scheme (NIAS) to promote the downstream development of new industrialisation and provide more financial assistance for enterprises in the fields of life and health technologies, artificial intelligence and data science, advanced manufacturing and new energy technologies, apart from NIAS, whether the Government has put in place concrete complementary policy in the short term to support other enterprises related to industries of new quality productive forces; if so, of the details and the estimated number of beneficiary enterprises;

(2) how the Government will develop new quality productive forces through NIAS to form a sustainable industrial chain of new industrialisation;

(3) whether it will formulate a strategic development blueprint for industries related to new quality productive forces, so as to assess the strengths of Hong Kong's scientific research talents and their strengths in various research outcomes, thereby identifying industries which have the opportunity to stand out and can continue to explore areas where they enjoy advantages for specific support; and

(4) whether it will collaborate with the governments of other Mainland cities in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) to address shortcomings and promote policy co-ordination and in-depth integration in the GBA, so as to enable better complementarity between Hong Kong's advantages in basic research and the industrial advantages of other Mainland cities in the GBA, thereby further promoting the in-depth integration of the industrial chain, capital chain and talent chain in relation to new quality productive forces, as well as expanding avenues of internationalisation for Mainland cities and giving play to Hong Kong's role as a "super-connector" that is closely connected to the world?

Reply:

President,

"Expediting the development of new quality productive forces" is a major task as stated in the National "Government Work Report" this year. New quality productive forces implies advancement in productivity. By making use of innovation and technology (I&T), new industries and new development modes will be introduced to Hong Kong which will promote economic diversity, thereby enhancing Hong Kong's overall competitiveness.

My reply to various parts of the question raised by the Hon Shang Hailong is as follows:

(1), (2)&(3) Hong Kong has to develop new quality productive forces tailored to local conditions. We will continue to strengthen research and development (R&D) in original and innovative technologies, and apply it to the development of industries. The Hong Kong Innovation and Technology Development Blueprint provides a clear development path and systematic strategic plan to promote the development of I&T in Hong Kong, with a view to accelerating the formation and development of new real economy which leverages Hong Kong's competitive edge. We focus on the development of I&T industries of strategic importance such as life and health technology, artificial intelligence (AI) and data science, as well as advanced manufacturing and new energy technology industries, etc. Adopting an industry-oriented approach, the current-term Government introduces and implements policies and measures to accelerate the transformation and realisation of midstream R&D outcomes and support the development of downstream industries for promoting the development of new industrialisation.

To this end, we successfully launched the \$10 billion Research, Academic and Industry Sectors One-plus Scheme (RAISE+) last year to promote the transformation and commercialisation of R&D outcomes from local universities. The first batch of participating projects was confirmed in May this year. Besides, we will also launch the \$10 billion New Industrialisation Acceleration Scheme (NIAS) this year to provide funding on a matching basis for enterprises engaged in the above industries of strategic importance to set up new smart production facilities in Hong Kong. It is expected that 50 to 100 enterprises will benefit from the NIAS.

In addition, in order to support enterprises in developing new quality productive forces, we have introduced enhancement measures to the New Industrialisation Funding Scheme (NIFS) to encourage local manufacturers to switch to smart manufacturing. Under the NIFS, each eligible enterprise may receive a maximum funding of \$15 million on a matching basis for a smart production line project established in Hong Kong. A total of three projects under each enterprise can be funded at any one time, i.e. an enterprise can receive a maximum funding of \$45 million in total. As at March 2024, 38 NIFS applications involving 62 production lines have been supported.

To further strengthen the development of strategic emerging industries, in respect of life and health technology, there are currently 16 life and health technology-related R&D centres under the InnoHK Research Clusters. In

addition, we will provide subsidies to support local universities to set up life and health technology research institutes to facilitate relevant R&D activities and transformation of R&D outcomes.

In respect of development of AI technology, Cyberport is preparing for the establishment of an AI Supercomputing Centre (AISC), the first phase of which is expected to commence operation in the second half of this year at the earliest. Meanwhile, the Government will launch an AI Subsidy Scheme to support, mainly, local universities, research institutes and enterprises, etc, to leverage the AISC's computing power.

In respect of advanced manufacturing and new energy technologies, the Government will establish the Hong Kong Microelectronics Research and Development Institute (MRDI) this year, which will spearhead and facilitate R&D on the third-generation semiconductors among universities, R&D centres and the industry. The MRDI is actively preparing the setting up of pilot lines, with a view to serving as a bridge between innovative research and mass production. Also, we will prepare for establishing the third InnoHK research cluster in the second half of this year, focusing on areas such as advanced manufacturing, new materials, new energy, etc.

Supporting start-ups is also an essential element in forming a comprehensive I&T industry chain. The Government is committed to supporting I&T start-ups, providing them access to venture capital and financing channels, and introducing overseas professional start-up service providers such as accelerators, and venture capital firms to develop businesses in Hong Kong. We are currently reviewing the Innovation and Technology Venture Fund with a view to rolling out as soon as possible new initiatives which are more market-oriented. We will consider measures to advocate for and strengthen the efficient collaboration among the Government, industry, academic, research and investment sectors. This will further enrich financing channels for enterprises, promote industry development, and facilitate a healthy start-up environment. These will help accelerate the development of new quality productive forces.

Talent is also vital to the development of new quality productive forces. The Government has been enlarging the local I&T talent pool through nurturing, attracting and retaining talent. For example, in terms of attracting talent, the Technology Talent Admission Scheme provides a fast-track arrangement for eligible companies to admit overseas and Mainland technology talent to undertake R&D work in Hong Kong. The InnoHK Research Clusters converges around 2 500 top-notch researchers from all over the world to conduct world-class and impactful collaborative researches. Besides, the Government has included in the Talent List a number of professions with local manpower shortage in the I&T segment, so as to facilitate the industry in the admission of technology talent through relevant admission schemes.

(4) As an important avenue for the country to connect with the world and for the world to access China's market, Hong Kong serves as a bridge connecting the Mainland and the world. We will proactively attract enterprises and investments, bringing in Mainland and overseas I&T strategic enterprises (including those from the Guangdong-Hong Kong-Macao Greater Bay Area (GBA))

to set up businesses in Hong Kong. Leveraging the role of a "super-connector" and "super value-adder", Hong Kong also serves as a springboard for Mainland enterprises to expand their businesses overseas.

The Hetao Shenzhen-Hong Kong Science and Technology Innovation Co-operation Zone (Co-operation Zone) is a major co-operation platform in the GBA. Fostering an orderly flow of cross-boundary innovation elements (including talent, materials and data) is the key to success of the Co-operation Zone. The Government will continue to support the development of the Hong Kong park and actively collaborate with Shenzhen to foster the synergistic development of the Shenzhen park and the Hong Kong park of the Co-operation Zone under the "one zone, two parks" principle underpinned by the "one country, two systems" principle. This will enable the Co-operation Zone to serve as the bridgehead for intensive I&T co-operation between the two places.

Furthermore, in alignment with the country's national development strategies, the Government will continue to proactively encourage the community to develop new quality productive forces, including supporting the local I&T sector to visit and participate in technological exchange with the Mainland (especially the GBA cities) so as to keep up with the latest development of new quality productive forces in the Mainland. We are dedicated to build up a more comprehensive and globally competitive I&T industry chain by joining hands with the Mainland cities in the GBA through concerted efforts, thereby realising the strategic goal of developing new quality productive forces and contributing to the country's high-quality development.

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## **Effective Exchange Rate Index**

The effective exchange rate index for the Hong Kong dollar on Wednesday, July 10, 2024 is 106.6 (same as yesterday's index).

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## **Inspection of aquatic products imported from Japan**

In response to the Japanese Government's plan to discharge nuclear-contaminated water at the Fukushima Nuclear Power Station, the Director of Food and Environmental Hygiene issued a Food Safety Order which prohibits all aquatic products, sea salt and seaweeds originating from the 10

metropolis/prefectures, namely Tokyo, Fukushima, Ibaraki, Miyagi, Chiba, Gunma, Tochigi, Niigata, Nagano and Saitama, from being imported into and supplied in Hong Kong.

For other Japanese aquatic products, sea salt and seaweeds that are not prohibited from being imported into Hong Kong, the Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department will conduct comprehensive radiological tests to verify that the radiation levels of these products do not exceed the guideline levels before they are allowed to be supplied in the market.

As the discharge of nuclear-contaminated water is unprecedented and will continue for 30 years or more, the Government will closely monitor and step up the testing arrangements. Should anomalies be detected, the Government does not preclude further tightening the scope of the import ban.

From noon on July 9 to noon today (July 10), the CFS conducted tests on the radiological levels of 311 food samples imported from Japan, which were of the "aquatic and related products, seaweeds and sea salt" category. No sample was found to have exceeded the safety limit. Details can be found on the CFS's thematic website titled "Control Measures on Foods Imported from Japan" ([www.cfs.gov.hk/english/programme/programme\\_rafs/programme\\_rafs\\_fc\\_01\\_30\\_Nuclear\\_Event\\_and\\_Food\\_Safety.html](http://www.cfs.gov.hk/english/programme/programme_rafs/programme_rafs_fc_01_30_Nuclear_Event_and_Food_Safety.html)).

In parallel, the Agriculture, Fisheries and Conservation Department (AFCD) has also tested 50 samples of local catch for radiological levels. All the samples passed the tests. Details can be found on the AFCD's website ([www.afcd.gov.hk/english/fisheries/Radiological\\_testing/Radiological\\_Test.html](http://www.afcd.gov.hk/english/fisheries/Radiological_testing/Radiological_Test.html)).

The Hong Kong Observatory (HKO) has also enhanced the environmental monitoring of the local waters. No anomaly has been detected so far. For details, please refer to the HKO's website ([www.hko.gov.hk/en/radiation/monitoring/seawater.html](http://www.hko.gov.hk/en/radiation/monitoring/seawater.html)).

From August 24 to noon today, the CFS and the AFCD have conducted tests on the radiological levels of 66 512 samples of food imported from Japan (including 42 807 samples of aquatic and related products, seaweeds and sea salt) and 15 942 samples of local catch respectively. All the samples passed the tests.

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## **[Man convicted of managing unlicensed](#)**

## employment agency

A man was prosecuted by the Labour Department (LD) for managing an employment agency (EA) without a valid licence in violation of the requirements under Part XII of the Employment Ordinance (EO). The man was sentenced to 120 hours' community service order today (July 10) at the Fanling Magistrates' Courts.

In December 2022, the LD received a complaint against a man from an employer seeking to hire a foreign domestic helper. As a subsequent investigation revealed sufficient evidence that the man was managing an EA without a valid licence, the LD took out prosecution against him.

All establishments or persons operating a business in Hong Kong for the purpose of obtaining employment for another person or supplying personnel to an employer are governed by Part XII of the EO and the Employment Agency Regulations. Irrespective of the mode of operation or the types of jobs referred, all EAs must obtain a licence issued by the LD before undertaking any EA activities. Except for the EA licence holder or his or her associates, no one shall operate, manage or assist in the management of an EA. Offenders may face prosecution.

The LD reminds EAs to operate in full compliance with the law as well as the Code of Practice for EAs at all times. Failure to do so may lead to prosecution and/or revocation of licence. The maximum penalty for the offences of unlicensed operation of an EA or overcharging commissions from job seekers is a fine of \$350,000 and imprisonment for three years.

Should there be enquiries about matters related to EAs or complaints about suspected violations of EAs, please contact the Employment Agencies Administration of the LD (telephone: 2115 3667; email: [ea-ee@labour.gov.hk](mailto:ea-ee@labour.gov.hk); address: Unit 906, 9/F, One Mong Kok Road Commercial Centre, 1 Mong Kok Road, Kowloon).

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## LCQ4: Incorporating elements of the National Day celebrations into cultural tourism projects

Following is a question by the Hon Chan Yung and a reply by the Secretary for Culture, Sports and Tourism, Mr Kevin Yeung, in the Legislative Council today (July 10):

Question:

This year marks the 75th anniversary of the founding of the People's Republic of China. There are views that incorporating elements of the National Day celebrations into various cultural tourism projects will not only enhance the overall atmosphere of the National Day celebrations in HKSAR, but also help Hong Kong develop quality tourism and become an East-meets-West centre for international cultural exchange. In this connection, will the Government inform this Council:

(1) how it will incorporate elements of the National Day celebrations into various cultural tourism projects;

(2) whether it will seek the loan of more grade-one national treasures and more precious cultural relics from the Central Government to the Hong Kong Palace Museum under special arrangements, so as to organise a special exhibition for the National Day celebrations; and

(3) how it will focus its publicity efforts among tourists from the Mainland and overseas on cultural tourism projects incorporating elements of the National Day celebrations?

Reply:

President,

This year marks the 75th anniversary of the founding of the People's Republic of China (PRC) and is an important historical milestone. The Hong Kong Special Administrative Region (HKSAR) Government celebrates the National Day with the public every year and promotes patriotism and national pride through a series of activities and publicity programmes. This year, more celebratory events which are rich in content and diversity will be held to create an intense festive ambience of the National Day and promote patriotism. We celebrate this special day with the public and allow visitors to experience a joyful atmosphere and share the joy of the National Day.

In respect of the questions raised by the Hon Chan Yung, in consultation with the Home and Youth Affairs Bureau, the consolidated reply is as follows:

The Chief Secretary for Administration (CS) is leading various bureaux and departments to actively prepare for various tasks to celebrate the 75th anniversary of the founding of the PRC. In this connection, the CS has given instructions at the previous meetings of the Steering Committee on District Governance and the Task Force on District Governance, asking all bureaux and departments to make concerted efforts to plan and take forward the preparatory work for the National Day celebrations on all fronts, with a view to creating a colourful and enthusiastic National Day atmosphere and cultivating people's sense of patriotism at different levels of the community. Apart from the key programmes such as the annual large-scale National Day reception, flag-raising ceremony, variety show and fireworks display, all bureaux and their departments will also organise an array of

celebratory activities under their respective areas, with a view to enabling more members of the public from different backgrounds and age groups to take part and share the joy of the National Day.

The Culture, Sports and Tourism Bureau (CSTB) will arrange a series of cultural and tourism programmes with elements of the 75th anniversary of the founding of the PRC, enabling the public, including both citizens and visitors, to come together and celebrate the National Day. The Leisure and Cultural Services Department (LCSD) is organising the exhibitions "Brothers in Arms: War of Resistance Activities of the East River Column in Shenzhen and Hong Kong Areas" (tentative title), the "Auspicious Fullness and Togetherness – Intangible Cultural Heritage of Greater Bay Area" (tentative title) and other exhibitions to celebrate the National Day. The LCSD will liaise with different organisations in the Mainland to borrow suitable exhibits. In addition, the LCSD will organise the "75th Anniversary of the Founding of the PRC" exhibition (tentative title) to showcase the major developments and achievements of New China since its founding 75 years ago from social, cultural, scientific and technological perspectives. After conversion, the Hong Kong Museum of the War of Resistance and Coastal Defence will hold the "Flag Raising Ceremony cum Drill Performance on the National Day" with three youth uniformed groups. On the National Day, admission to all museums under the LCSD will be free. There are also special activities at museums. For example, the Hong Kong Museum of History has jointly organised with the Henan Provincial Administration of Cultural Heritage "The Ancient Civilisation of the Xia, Shang and Zhou Dynasties in Henan Province" exhibition from April to July this year. Through over 150 sets/items of cultural relics, the exhibition introduces important archaeological sites in Henan Province, as well as the political, social, rituals and etiquette, and cultural landscapes of the three dynasties so as to give members of the public an understanding of the civilisation and history of ancient China. The Hong Kong Museum of Art has organised the "Fragrance of Time – In Search of Chinese Art of Scent" exhibition until 16 October. Featuring historical artefacts and artworks, the exhibition showcases the significance of Chinese fragrance culture in different periods, and enhances public awareness of fine traditional Chinese culture. The Hong Kong Heritage Museum will also organise traditional Chinese costumes activities and the public libraries will celebrate the National Day by specially holding thematic book displays on the 75th anniversary of the founding of the PRC in some libraries.

Hong Kong Palace Museum will stage a special exhibition in late September this year, showcasing approximately 110 precious sets/items from the Neolithic period to the Xia dynasty, including jades, ceramics, bone objects, stone sculptures, and bronze vessels, etc. The exhibition aims to illustrate the origins and evolution of the Chinese civilisation and enhance visitors' understanding of the remarkable achievements and the unified development with diversity of Chinese civilisation, and is one of the celebration activities marking the 75th anniversary of the founding of the PRC.

Moreover, the celebration of National Day is adopted as the theme of the annual Mid-Autumn Lantern Carnival to be held at Victoria Park this year.



Primary and secondary schools across Hong Kong will be invited to design dazzling lanterns with the theme of National Day. At the same time, the LCSD will present uniquely curated traditional Chinese costumes catwalk shows in which members of the public will be invited to participate by dressing in traditional Chinese costumes.

As regards performances, we have invited the Hong Kong Chinese Orchestra to present the "Resounding Chimes. Magnificent works in a Prosperous Age" National Day concert. Featuring the centuries-old traditional musical instrument bianzhong, this concert comes with free pre-performance guided appreciation sessions and live demonstrations. With Hong Kong hosting the Guangdong-Hong Kong-Macao Greater Bay Area Culture and Arts Festival for the first time this year, its opening programme "Sound River" will be one of the highlights of the celebration programmes.

In addition, "A Symphony of Lights" light and sound show will launch a special edition for celebration of the 75th National Day in October. At the Hong Kong International Dragon Boat Races co-organised by the Hong Kong Tourism Board (HKTB) and Hong Kong China Dragon Boat Association earlier in June, three races of PRC 75th Anniversary Celebration Trophy were staged and decorations with the theme of the National Day were displayed at the event venue.

The Government is actively promoting "tourism is everywhere". Nowadays, many tourists are keen on in-depth local tourism to experience local culture and characteristics. In view of this, the 18 District Offices under the Home Affairs Department will organise National Day celebratory events with local characteristics in each district, with a view to enabling more members of the public and tourists from different backgrounds and age groups to participate and share the joy of the National Day. At the same time, the events will also showcase to visitors the unique advantages and attractions of Hong Kong in terms of the staunch support we receive from the Motherland and our global outlook.

The CSTB will continue to collaborate with the HKTB and the Travel Industry Council of Hong Kong to introduce and promote cultural programmes marking the 75th anniversary of the founding of the PRC to Mainland and overseas tourists, including uploading the related information onto the websites of the HKTB as well as the Mainland and overseas Economic and Trade Offices of the HKSAR Government, dedicated webpages and Instagram accounts as well as Mainland social media platforms to promote local programmes celebrating the 75th anniversary of the founding of the PRC. In addition, we will also encourage the trade to roll out National Day special offers and programmes and carry out promotion through cross-sectoral efforts, thereby allowing members of the public and tourists to celebrate the National Day.