

[Speech by CE at 15th Asian Financial Forum \(English only\) \(with photo/video\)](#)

Following is the video speech by the Chief Executive, Mrs Carrie Lam, at the 15th Asian Financial Forum held online today (January 10):

Distinguished guests, ladies and gentlemen,

Good morning. Welcome to the Asian Financial Forum, the 15th edition, and the first in a number of events to kick-start celebrations for the 25th anniversary of the establishment of the Hong Kong Special Administrative Region.

While the pandemic has once again prevented me from greeting you in person, I will not forgo an opportunity to give you an account of where Hong Kong stands in our financial services and am therefore speaking to you online. I am pleased to know that many financial and business professionals, investors, entrepreneurs and educators, as well as government and institutional leaders – from Hong Kong, Mainland China, throughout Asia and around the world – are taking in this year's two-day Forum, and amongst them are a panel of distinguished speakers. It shows that the Asian Financial Forum has indeed become a brand event to start a new year, providing an opportunity for leaders and practitioners in the region and the world to exchange the views on the global economy in an ever-changing world, no less as a result of the COVID-19 pandemic, which has lasted for two years.

This year's theme is "Navigating the Next Normal towards a Sustainable Future". The theme properly describes what people nowadays are looking forward to in a world of uncertainties marked by extreme weather, pandemic outbreaks, geopolitical tensions and diverging fiscal and monetary policies worldwide. It is exactly the quest to navigate through these uncertainties that brings us all here. During this Forum, high-profile speakers from all over the world will offer their insight and intelligence on the "new normal" – on how we get there, how the evolving global economic and financial system must respond, and how we – as economies, companies and individuals – can better prepare ourselves for today's and tomorrow's formidable tests, while building the sustainable future we all want.

Chief among these daunting global challenges is climate change. The Forum's line-up of speakers, I'm pleased to note, includes such internationally recognised leaders as Mark Carney, the United Nations Special Envoy on Climate Action and Finance. Mr Carney has made a clear and compelling case for the need of every company, every financial firm, every bank, insurer and investor to change if we are to avert an all-consuming crisis. Jean-Claude Trichet, former President of the European Central Bank, is another Forum highlight. Mr Trichet knows the essential importance of

creating a resilient economy in troubled times. Indeed, in any times – good or bad – a stable and responsive financial system is critical in supporting economic growth.

Hong Kong's financial system is characterised by our sound regulatory and risk-management regime. It is also underpinned by the principle of "One Country, Two Systems" and with it, institutional strengths such as the rule of law, an independent judiciary, highly open and internationalised markets, a deep liquidity pool, and the free flow of people, information and capital. These strengths which are embodied in the Basic Law have not only sustained during the challenging period in Hong Kong over the past two and a half years, but have been fortified by the resolute actions of the Central Authorities to enact and implement the National Security Law in June 2020 and improve our electoral system last year to ensure "patriots administering Hong Kong".

With "One Country, Two Systems" back on the right track, international investors and observers have shown confidence in Hong Kong. The latest Global Financial Centres Index, in September last year, ranked Hong Kong third globally among the more than 100 financial centres assessed, behind only New York and London. Also in September, we were once again named the world's freest economy in the Fraser Institute's annual Economic Freedom of the World report. And the 2021 World Investment Report, published last June by the United Nations Conference on Trade and Development, ranked Hong Kong the world's third-largest recipient of foreign direct investment.

Last year, the daily turnover in our stock market averaged over US\$21 billion, up 28.8 per cent over 2020. We also continue to be a global fundraising hub. Last year, we raised US\$42 billion in funds through initial public offerings (IPOs), ranking fourth globally. Hong Kong's fund management business is also flourishing. It grew 21 per cent, year on year, to around US\$4.5 trillion at the end of 2020.

Looking ahead, beyond the pandemic and the continuing cloud it raises over global economic growth, particularly associated with the Omicron variant, we see boundless possibilities. We know how important it is for Hong Kong to consolidate existing advantages and seek out fresh opportunities. For the next few minutes, allow me to talk about several of these prospects.

First and foremost is the strong support of the Central Government in consolidating and strengthening Hong Kong's role as an international financial centre, particularly in aspects of asset management, risk management and offshore RMB business, as reinforced in the country's 14th Five-Year Plan promulgated in March 2021. In addition, Hong Kong has always been a reliable fundraising centre for Mainland enterprises and companies from all over the world. To ensure that we retain and, indeed, build on our strengths, our stock exchange, the HKEX, continues to introduce wide-ranging reforms. In 2018, it launched a listing regime for new economy enterprises, including pre-revenue, pre-profit biotechnology companies; innovative corporations with weighted voting rights structures; and qualified companies seeking a secondary listing in Hong Kong. To date, 70 such companies have

listed in Hong Kong, raising US\$74 billion through IPOs. Among them, 48 companies were pre-revenue or pre-profit biotechnology companies. These raised US\$14.4 billion, making Hong Kong the world's second-largest fundraising hub for biotechnology companies.

At the beginning of this new year, the HKEX also launched a listing regime for special-purpose acquisition companies, or SPACs, following market consultation. Some have commented that our SPACs regime is not as relaxed as in some other jurisdictions, but I am confident that it will find success in the Hong Kong market, offering a judicious balance between market development and investor protection.

Hong Kong is also an ideal destination for international investors looking to park and manage their funds. In this regard, we're taking a multi-pronged approach to build on the enviable strength of our asset- and wealth-management sector. That includes diversifying our fund structures by introducing open-ended fund company and limited partnership fund regimes, along with re-domiciling funds to strengthen Hong Kong's edge in fund creation and operation. Nearly 400 limited-partnership funds have been set up in Hong Kong over the past year or so.

We're also working to provide profits-tax exemptions for qualified onshore and offshore fund transactions and the carried interest of private-equity funds operating in Hong Kong. In addition, we are putting a priority on the emerging family office business. InvestHK has set up a global team to provide one-stop shopping for family offices interested in establishing a presence in Hong Kong. We are also considering tax concessions to enhance Hong Kong's attractiveness as a family office hub.

Hong Kong is also an international risk-management centre. To enhance our competitiveness, we have implemented a variety of measures over the past year. They include offering profits-tax concessions for select insurance businesses and expanding the scope of insurable risks for captive insurers based in Hong Kong.

We have also established a dedicated regulatory regime for insurance-linked securities and launched a subsidy scheme for their issuance in Hong Kong. These measures, I'm pleased to say, enabled the issuance, in October last year, of our first insurance-linked security. And that has spurred Hong Kong's emergence as a centre for insurance-linked securities.

There's more good news for our insurance industry. We're working to enhance mutual access of the insurance market in the Greater Bay Area, establishing after-sales service centres in the Greater Bay Area cities. The goal is to provide Hong Kong insurance policyholders in the Greater Bay Area with comprehensive support, from enquiries to claims and, of course, policy renewal. We are also preparing for early implementation of the unilateral recognition policy on cross-boundary motor vehicle insurance. This will allow Hong Kong vehicles to enter Guangdong through the Hong Kong-Zhuhai-Macao Bridge, while promoting connectivity throughout the region. We hope to make concrete progress on these measures early this year.

Financial technology is also a policy priority of the Hong Kong Special Administrative Region Government. Over the past year, our Fintech Proof-of-Concept Subsidy Scheme has granted US\$1.3 million to more than 90 projects, following a rigorous vetting process. The projects range from wealthtech, regtech and insurtech payment systems to cross-boundary data analysis, remittances and many other areas.

The distress and disruption caused by the pandemic over the past two years have taught us the importance of preparing for global crises. That certainly includes climate change. Hong Kong announced its climate action plan in October last year, setting out strategies and measures to achieve our goal of reducing carbon emissions by 50 per cent before 2035 as compared to the 2005 level, and carbon neutrality before 2050. This covers electricity generation, energy saving and green buildings, as well as green transport and waste reduction. We expect some US\$30 billion in public-sector investment over the next 15 to 20 years to support the measures. I'm confident this will also create wide-ranging opportunities for our fast-emerging green economy.

My Government, in collaboration with financial regulators and the industry, is stepping up efforts to promote green and sustainable finance in Hong Kong. Since May 2019, we have issued green bonds totalling the equivalent of more than US\$7 billion under the Government Green Bond Programme. They cover bonds denominated in US dollars, euros and Renminbi. The issuances drew welcome demand from global investors, helping to establish benchmarks for potential issuers in Hong Kong and the region. With the rolling out of the Green and Sustainable Finance Grant Scheme, we encourage the issuance of green and sustainable bonds and loans in Hong Kong. And we welcome financial and professional service providers and external reviewers to set up or expand here in Hong Kong.

Our Green and Sustainable Finance Cross-Agency Steering Group is actively developing its strategic plan. Last month, the Steering Group announced recommendations to encourage capacity building and access to green and sustainable financial data. The Steering Group has also completed a preliminary assessment of carbon-market opportunities for Hong Kong, and is exploring the possibilities of Hong Kong's development as a regional carbon-trading centre. That includes the creation of a global voluntary carbon market and carbon-market opportunities as part of Hong Kong's growing co-operation with the Guangdong-Hong Kong-Macao Greater Bay Area. As the business bridge between China and the rest of the world, Hong Kong is well positioned to connect green and sustainable funds from the Mainland and the world. That can only help the Mainland in its efforts to realise peak carbon emissions before 2030 and carbon neutrality before 2060.

Many of the issues, concerns and opportunities I've touched on will be discussed and debated throughout the Asian Financial Forum. My thanks to the Hong Kong Trade Development Council for putting together such a remarkable programme for this year's Forum, which I am sure you will thoroughly enjoy.

Ladies and gentlemen, we welcomed in a new year 10 days ago. In just

over three weeks, we will celebrate the Chinese New Year – the Year of the Tiger. May it usher in a year of global ambition and vitality. May the tiger in all of us reveal our intelligence, courage and fierce determination to overcome challenges and build a better future. Thank you.



[Additional rooms at Rambler Garden Hotel in Tsing Yi for quarantine of foreign domestic helpers](#)

The Labour Department (LD) today (January 10) announced that the Rambler Garden Hotel will, starting from February 1, provide an additional 150 rooms for quarantine of foreign domestic helpers (FDHs), such that its number of rooms serving as a Designated Quarantine Facility (DQF) will be increased to 650.

The LD spokesman said, "Employers of FDHs and employment agencies (EAs) can, starting from 10am on January 11 onwards, reserve a room through the online booking system of the hotel (please [click here](#) to enter the booking system). Starting from February 1, the fee per room per night will be at \$700 (including three meals and all charges) while the fee per night will still be at \$650 before February 1. The hotel will adjust the number of rooms open for reservation each day having regard to the overall booking situation. The Government understands the need of local families for FDHs. However, the local epidemic situation has worsened rapidly, the Government must vigilantly uphold the policy of guarding against importation of cases. The Government will consider whether more DQFs can be provided having regard to the global and local epidemic situation."

Employers and EAs must register using the real name as shown on the valid passport of the residing FDHs, and rooms reserved are not transferrable. Reservation applications made under the name of another person or party will not be processed. When making the room reservation, the FDH's

passport copy, a valid employment visa and a recognised vaccination record must be made available. The reservation process is completed upon issuance of a booking confirmation by the hotel. FDHs will need to provide the above documents for verification when they check into the facility.

Employers and EAs should check the flight information and allow sufficient time for preparing the documents required and completing the procedures when arranging for their FDHs to come to Hong Kong. Payment will be refunded to the person making the reservation if a change or cancellation of room booking is required because an FDH has tested positive for COVID-19 before arrival in Hong Kong, or because of a change or cancellation of flights by the airline or a lockdown, provided that relevant supporting documents are submitted in advance. An FDH who does not have a booking confirmation by a DQF will not be allowed to board a flight for Hong Kong or may be denied entry into Hong Kong upon arrival.

The above arrangement for quarantine at DQFs is applicable to FDHs who have been fully vaccinated in regions where Hong Kong has reached a recognition agreement arrangement on their vaccination records (the currently applicable regions include Bangladesh, Cambodia, India, Indonesia, Malaysia, Nepal, Pakistan, the Philippines and Sri Lanka). For the full list of applicable regions, please visit: www.coronavirus.gov.hk/pdf/places_of_issuance_recognised_vaccination_records.pdf. A list of DQFs is in the Annex.

As for FDHs who have received full vaccination in Hong Kong and places of stringent regulatory authorities designated by the World Health Organisation (including Thailand), they may undergo compulsory quarantine at a general designated quarantine hotel or a DQF.

The dedicated FDH Portal (www.fdh.labour.gov.hk) set up by the LD provides information and useful links relating to the quarantine arrangements of FDHs. For enquiries, please contact the LD through its 24-hour hotline at 2717 1771 (manned by 1823) or by email to fdh-enquiry@labour.gov.hk.

EMSD announces test results of LPG quality in December 2021

The Electrical and Mechanical Services Department (EMSD) today (January 10) announced that the department collected 10 liquefied petroleum gas (LPG) samples from auto-LPG filling stations and LPG terminals on a random basis in December 2021 for laboratory tests. The results show that the LPG quality of all these samples complied with auto-LPG specifications.

The detailed test results are available on the EMSD's website (www.emsd.gov.hk/en/rl/lpg_sample_analysis_simple). Enquiries can also be

made to the EMSD's hotline on 2333 3762.

In addition, the EMSD has been vetting independent third-party test reports submitted by LPG supply companies for each shipment to ensure that the quality of imported LPG complies with the specified requirements.

Key statistics on service demand of A&E Departments and occupancy rates in public hospitals

The following is issued on behalf of the Hospital Authority:

During the winter surge, the Hospital Authority closely monitors the service demand of Accident and Emergency Departments and the occupancy rates in public hospitals. Key service statistics are issued daily for public information. Details are in the appended table.

Government finishes exercise on “restriction-testing declaration” in respect of specified “restricted area” in Tai Kok Tsui and enforcement operation for breaches of compulsory testing notice

The Government yesterday (January 9) exercised the power under the Prevention and Control of Disease (Compulsory Testing for Certain Persons) Regulation (Cap. 599J) to make a "restriction-testing declaration" effective from 7pm yesterday, under which people (hereafter referred to as "persons subject to compulsory testing") within the specified "restricted area" in Tai Kok Tsui (i.e. Tower 2, Harbour Green, 8 Sham Mong Road, Tai Kok Tsui) were required to stay in their premises and undergo compulsory testing. Persons subject to compulsory testing were required to stay in their premises until all such persons identified in the area had undergone testing and the test results were mostly ascertained. Moreover, the Government issued a compulsory

testing notice yesterday, requiring persons who had been present at the above building for more than two hours from January 3, 2022 to January 9, 2022, even if they were not present in the "restricted area" at the time when the declaration took effect, to undergo compulsory testing on or before January 11, 2022. The Government announced the completion of the compulsory testing exercise at around 6.45am today (January 10) and carried out enforcement action in the "restricted area" afterwards to verify that all people in the "restricted area" had undergone compulsory testing in accordance with the requirements of the relevant declaration and compulsory testing notice. The Government announced that the enforcement operation ended at around 9.25am today.

In this exercise, the Home Affairs Department (HAD) (including the Yau Tsim Mong District Office), the Hong Kong Police Force, the Food and Environmental Hygiene Department and the Department of Health mobilised around 180 staff to arrange for implementation of the declaration and enforcement actions for breaches of the compulsory testing notice issued earlier.

The Government provided simple food for persons subject to compulsory testing, including canned food and cup noodles, so as to facilitate the dinner arrangements of some persons subject to compulsory testing. One box of masks and hand sanitizer were also provided to each person subject to compulsory testing to help them fight against the virus.

The HAD also set up a hotline for people restricted by the declaration to make enquiries and seek assistance.

The Government thanks persons subject to compulsory testing for their support and understanding. With everyone's co-operation and efforts, coupled with the tireless efforts of the testing contractors, residents have been informed about their testing results by SMS notification. After finishing the compulsory testing exercise at around 6.45am today, the Government took enforcement action in the "restricted area" immediately to verify that all people in the "restricted area" had undergone testing according to the requirements of the declaration and the compulsory testing notice. Persons who could present an SMS notification containing a negative testing result or wore a wristband as proof of having undergone the compulsory testing could leave the "restricted area" through the designated exit after providing personal information to a prescribed officer. The enforcement operation was completed at around 9.25am. Test records of around 140 persons subject to compulsory testing were checked. Nobody was found to have not undergone compulsory testing. Taking into account the above situation, the Secretary for Food and Health revoked the "restriction-testing declaration" in accordance with Cap. 599J (see attachment).

The Government reminds the about 20 households who have not answered the door to contact the Government for arrangement of testing as soon as possible after reading the notices put up by the Government, in the hope of eliminating the possible risk of further spread of the virus in the community.

The Government thanks all participating government staff and the testing agencies for their hard work. The Government is also grateful to those subject to compulsory testing for their support and understanding, and their full co-operation during this period in undergoing testing and waiting for the results at home.

The Government will seriously follow up on the compliance situation of the compulsory testing notices and the "restriction-testing declaration" by persons subject to compulsory testing. Any person who fails to comply with the compulsory testing notices commits an offence and may be liable to a fixed penalty of \$5,000. The person will also be issued with a compulsory testing order, requiring him or her to undergo testing within a specified time frame. Failure to comply with the order or the "restriction-testing declaration" is an offence and the offender may be liable to a fine of level 4 (\$25,000) and imprisonment for six months.