LCQ8: Mental Health Support Hotline

Following is a question by Professor the Hon Priscilla Leung and a written reply by the Secretary for Health, Professor Lo Chung-mau, in the Legislative Council today (April 24):

Question:

The Government launched the "18111 — Mental Health Support Hotline" on December 27, 2023, to provide one-stop, round-the-clock support for people with mental health needs, rendering them immediate mental health support and referral services. The Mental Health Support Hotline, the first mental health support hotline fully-funded by the Government, co-ordinates existing counselling services provided by the Government and non-governmental organisations. Moreover, it is answered 24 hours a day by dedicated personnel who provide immediate support and counselling services to members of the public from all backgrounds and of all ages. Callers will also be referred to the most appropriate service organisations depending on the nature of individual cases. In this connection, will the Government inform this Council:

- (1) of the total number of calls received by the authorities since the launch of the Mental Health Support Hotline and, among them, the number of calls from (i) first-time callers, (ii) non-first-time callers, (iii) people with mental health needs themselves, and (iv) relatives and friends or carers of people with mental health needs (with a breakdown of people with mental health needs by age, gender, occupation, educational attainment, marital status, district of residence, language used and ethnicity);
- (2) of the following statistics on the cases received by the authorities since the launch of the Mental Health Support Hotline (with a breakdown by age, gender, occupation, educational attainment, marital status, district of residence, language used and ethnicity):
- (i) cases referred to other service organisations;
- (ii) cases that received immediate brief counselling;
- (iii) high-risk cases;
- (iv) suicidal cases;
- (v) cases involving domestic or sexual violence;
- (vi) cases involving mental illness;
- (vii) cases involving emotional disturbance;
- (viii) cases involving livelihood pressure;
- (ix) cases involving academic or occupational disturbance;

- (x) cases involving social or interpersonal disturbance; and
- (xi) cases involving other issues;
- (3) how it ensures that the service resources of the Mental Health Support Hotline are adequate and appropriate, e.g. whether it has (i) adjusted and increased service resources (including (a) the number of hotlines, (b) the number, qualifications and training of hotline operators, (c) the number and types of service organisations accepting the relevant referrals, and (d) the scope and modes of counselling and support services provided by the hotlines) according to service demand and user feedback, (ii) considered expanding the services to other platforms (e.g. websites, mobile applications and social media), (iii) provided tailor-made services for different user groups, and (iv) provided services for people using different languages and dialects;
- (4) how it assesses the service quality and effectiveness of the Mental Health Support Hotline, e.g. whether it has (i) conducted user satisfaction surveys or followed up cases on a regular basis, (ii) collected and analysed users' comments and suggestions, (iii) formulated and implemented service improvement plans, (iv) set service indicators and standards, (v) published service reports and statistics on a regular basis, (vi) conducted service evaluations and audits, and (vii) established and maintained good cooperative relationships with other relevant service organisations; if so, whether it has given the Legislative Council or the public an account of the relevant service situations or reported to them on such situations; and
- (5) how it will step up the publicity and promotion of the Mental Health Support Hotline, e.g. whether it has (i) formulated and implemented publicity strategies and plans, (ii) made use of different channels and means to introduce and promote the relevant services to members of the public, (iii) collaborated with different stakeholders and partners, and (vi) designed and distributed relevant publicity materials targeting different user groups and people using different languages and dialects?

Reply:

President.

The reply to the question raised by Professor the Hon Priscilla Leung is as follows:

(1) and (2) The Health Bureau launched the "18111 — Mental Health Support Hotline" (the Hotline) on December 27, 2023, to provide one-stop, round-the-clock support for people with mental health needs (including carers), rendering emotional and mental health support to persons from all backgrounds and of all ages. Callers will be provided with service information or referred to appropriate service organisations based on their individual needs.

As at March 21, 2024, the Hotline has answered a total of around 30 000 calls (i.e. an average of about 349 calls per day) and provided immediate support. There could be multiple reasons for calling, and the more common

reasons include mental distress (21 per cent), family relationship (14 per cent), physical health problems (13 per cent) and work pressure (12 per cent).

The Hotline has referred a total of around 200 cases to the Integrated Community Centre for Mental Wellness and the Designated Hotline for Carer Support of the Social Welfare Department (SWD), the Hospital Authority (HA)'s Mental Health Direct hotline and non-governmental organisations (NGOs), etc, for further follow-up. Among them, two of the cases were more urgent and required immediate referral to the Police for follow-up.

The Hotline aims at providing immediate mental health support and referral services. In order not to cause distress to callers or discourage them from using the service, the Hotline does not require all callers to provide their personal data after receiving the service. The Hotline only collects personal data, such as telephone numbers and names, which are necessary for making referrals when required and according to the individual circumstances of the callers. All persons with mental health needs (irrespective of whether they are first-time callers and they themselves are the persons with mental health needs or not) are the service targets of the Hotline. The Hotline does not maintain relevant breakdown statistics.

(3) (i) The Government has been closely monitoring the operation of the Hotline and regularly reviewing the effectiveness of the services with the operator in terms of areas such as the service, operation, manpower arrangement and publicity in accordance with the review requirements stipulated in the contract with the operator. The Hotline can answer calls from at least six lines at the same time, and can answer calls from a maximum of 30 lines at the same time through appropriate manpower deployment having regard to the circumstances.

All call handlers of the Hotline have relevant counselling experience and have received professional training related to mental health, including mental health knowledge, emotional support skills and crisis response, to equip them with sufficient skills to provide brief counselling when necessary, and to provide service information or referral to appropriate service organisations according to the needs of individual callers. In addition, call handlers will answer calls under the supervision of two supervisors at all times. In case of emergency, immediate risk management can be carried out by contacting the Police or the Fire Services Department (FSD) for immediate follow-up.

The Hotline has now established referral mechanisms with relevant government departments/organisations, including the FSD, the Hong Kong Police Force, the SWD, and the HA, as well as about 20 NGOs providing suicide prevention counselling services and mental health support services. The NGOs concerned target different groups including ethnic minorities, the youth and women.

(ii) Taking into account the outcome of the review of the operation, the Government will consider the feasibility of extending the service to other platforms (such as instant messaging software) in consultation with the

Advisory Committee on Mental Health in due course.

- (iii) As mentioned in (i) above, the Hotline refers help-seekers to the most appropriate service organisations according to their needs through collaboration with different NGOs. The Hotline will continue to establish referral mechanisms with more NGOs providing different services as necessary, with a view to providing mental health support services to members of the public on all fronts.
- (iv) The Hotline offers service in Cantonese as the main language and also provides Putonghua and English services. A mechanism has been established with relevant NGOs to provide interpretation services to callers who speak ethnic minority languages in the form of teleconferencing when necessary.
- (4) The Government has been closely monitoring the operation of the Hotline and regularly reviewing the effectiveness of the services with the operator in terms of areas such as the service, operation, manpower arrangement and publicity in accordance with the review requirements stipulated in the contract established with the operator. Furthermore, the Government plans to commission a service evaluation study by an independent organisation in the third quarter of 2024. The Government is preparing the study framework, including exploring different directions of collecting views from relevant stakeholders (such as NGOs) through focus groups and conducting questionnaires, etc, with a view to evaluating the services comprehensively.
- (5) The Government has launched a publicity programme in the first quarter of 2024 and rolled out a number of online and offline promotional activities as the highlight of this year's publicity campaign on mental health. Service information of the Hotline has been disseminated to the public through various channels, such as setting up a dedicated page in the website of the "Shall We Talk" mental health promotion and public education initiative, and the Government's social media platforms including the "Shall We Talk" page and the "Tamar Talk" page. In offline terms, the Government has produced posters and invited schools, hospitals, public clinics, social welfare organisations, public housing estates and property management organisations to facilitate promotion by displaying the posters at relevant venues. Additionally, relevant promotion videos have also been broadcast on television, at railway stations and in train compartments. The Government will continue to step up publicity and promotion of the Hotline and provide support to persons with mental health needs in a more timely manner.

LCQ13: Handling of cases of illegal conversions and unauthorised building

works

Following is a question by the Hon Paul Tse and a written reply by the Secretary for Development, Ms Bernadette Linn, in the Legislative Council today (April 24):

Question:

According to the Government's estimate in 2000, there were about 800 000 unauthorised building works (UBWs) in Hong Kong at that time. It has been reported that due to an excessive backlog of cases of illegal conversions and UBWs, and possibly as a result of the Government's lax and time one of the government, the Buildings Department (BD) estimated some years ago that it would take 100 years to thoroughly deal with the nearly 800 000 UBWs. There are views that after some 20 years, hidden hazards are now ubiquitous in the community, especially in old composite buildings in the urban areas where both guesthouses and subdivided units can be found under the same roof. In the event of a fire, such buildings may cause heavy casualties, and the recent fire at New Lucky House in Jordan, in which five people were killed and 40 injured, is sadly the latest example. In this connection, will the Government inform this Council:

- (1)whether it has compiled statistics on the current number of old buildings in Hong Kong which are similar to New Lucky House (i.e. over 50 years old and for both commercial/residential use) that involve UBWs and structural alterations; among them, of the number of buildings for which the BD has issued Mandatory Building Inspection Scheme notices, repair orders or even removal orders, as well as the number of cases involving expired notices/orders that have not been complied with;
- (2) as some members of the public have suggested that, in view of the heavy casualties caused by the fire in the aforesaid old building and BD's progress in law enforcement, which makes it almost "impossible" to complete the handling of cases of illegal conversions and UBWs, the BD should focus on the level of risks involved in the cases and the number of people affected as the main factors for consideration when setting priorities for investigation and law enforcement actions in respect of the cases, instead of being unduly influenced by media attention or reports, whether the BD will consider such a suggestion; and
- (3) with regard to cases of illegal conversions and UBWs located in remote and non-densely populated districts, and in areas with low traffic volume, as well as those affecting a relatively smaller number of people and posing relatively lower safety risks, whether it has examined the possibility of allowing the owners concerned to settle such cases by way of payments such as punitive fines, arrears of government rent arising from the violation and premiums, after the safety of the buildings in question has been assured by relevant professional Authorized Persons, so as to minimise the nuisance and burden caused to the public under the generally adverse socio-□economic

circumstances, enable the public to improve their living space and environment while reducing the environmental pollution caused by the demolished materials, and supplement the revenue of the Treasury and enhance the law enforcement efficiency of the BD?

Reply:

President,

The Buildings Department (BD) takes enforcement actions against unauthorised building works (UBWs) in accordance with the Buildings Ordinance (BO). In order to optimise the use of limited manpower resources in the most effective manner in view of the large number of cases, the BD has adopted a pragmatic "risk-based" approach to set priorities for enforcement, with priority given to cases constituting obvious hazard or imminent danger to life or property, newly erected or constituting serious health or environmental nuisance etc. The BD will accord priority to handle UBWs falling into these categories by issuing removal orders to the owners and registering the removal orders in the Land Registry, i.e. "imposing an encumbrance". If the owner fails to rectify the situation within the specified period without reasonable excuse, the BD will consider instigating prosecution.

In addition, under the Mandatory Building Inspection Scheme (MBIS) implemented in 2012, the BD each year selects about 600 private buildings aged 30 years or above (Note 1) on a risk basis, and owners of such buildings served with statutory MBIS notices are required to carry out prescribed inspections and repairs for their buildings. The Government subsequently allocated \$6 billion in 2018 to the Urban Renewal Authority for implementing the Operation Building Bright 2.0 to provide technical and financial assistance to eligible owners in complying with MBIS notices.

In addition to the MBIS, the BD also selects target buildings to conduct large-scale operations each year and issues repair orders and removal orders requiring the owners to deal with dilapidated or defective external walls and common parts of these buildings as well as their UBWs. In addition, the BD will also follow up on reports from the public on dilapidation and defects of buildings and UBWs, including issuing repair orders and removal orders to owners, as well as carrying out emergency works where necessary to ensure public safety.

The BD will adjust enforcement priorities from time to time in the light of the actual situation. For example, the landslide on the Redhill Peninsula after continuous heavy rainstorms last year revealed that UBWs in houses situated on the slope along the seafront could pose safety risks. In this connection, the BD, in collaboration with the Lands Department, inspected 89 houses on the Redhill Peninsula and has been taking enforcement actions based on investigation results. In addition, after the Jordan fire, the BD will reassess its enforcement priorities, targeting those with higher risks among old buildings, such as single-staircase buildings, buildings with higher concentration of guesthouses or sub-divided units, and buildings which have

not complied with MBIS notices and have not appointed building inspectors, and will step up prosecution against non-compliance with the Fire Safety Directions.

Our reply to various parts of the question is as follows:

(1) As at end of 2023, there were in total 5 442 composite buildings aged 50 or above. Statistics of MBIS notices, repair orders or removal orders issued and have not been complied with in relation to these buildings are tabulated as follows (the figures in brackets denote the number of buildings involved):

11 1	No. of notices/orders issued (Note 2)	No. of notices/orders expired and not complied with (Note 2)
MBIS	53 367	7 947
notices	(3 716)	(2 020)
Repair	1 406	327
orders	(954)	(283)
Removal	55 264	12 175
orders	(4 340)	(2 777)

- (2) As mentioned above, the "risk-based" approach has all along been BD's pragmatic approach in enforcement. The BD will review enforcement priorities and optimise the mode of enforcement from time to time with a view to enhancing the effectiveness of enforcement, including strengthening law enforcement and deterrent effect by stepping up prosecution work; and setting higher priority for buildings with greater fire safety/public risk or hazard when considering instigating prosecutions and selecting target buildings for large-scale operations. In the longer term, as announced in the Chief Executive's 2023 Policy Address, the Government is taking forward in full steam the exercise of reviewing the BO, targeting UBWs and illegal building works as well as non-compliance with expired statutory orders or notices, so as to more effectively combat illegal behaviours including UBWs by way of streamlining prosecution procedures, lowering the prosecution threshold and increasing penalties. The Government will put forth the proposed amendments to the BO this year for consultation with the industry and the public.
- (3) As regards the Hon Tse's proposal to dispose of UBWs through payment of fines or land premium, we have the following considerations:
- (i) Building and public safety: Under the BO, any person intending to carry out building works is required to appoint an authorised person before commencement of works and, where necessary, a registered structural engineer and/or a registered geotechnical engineer to prepare and submit building plans for approval by the BD (Note 3). In addition, the Minor Works Control System under the BO allows minor works to be carried out in a simplified manner. These systems ensure that all building works as well as the completed building/structure comply with the requisite building standards on safety and health. Building works carried out or any structures completed not in

compliance with the BO are unauthorised and their building safety may not necessarily be ascertained solely by means of inspections afterwards.

â€<(ii) Fairness of policy: Such suggestion would be unfair to those owners who have adhered to the BO, without financial means, or have voluntarily removed their UBWs upon receiving advisory letters or removal orders issued by the BD. Such practice would also convey a wrong message to the community who may mistakenly believe that the illegal behaviour of UBWs could be exonerated by financial means. As evident from the UBW problems unfolded on the Redhill Peninsula and other luxury estates, there are strong calls in the community that the Government should take robust enforcement actions against UBWs posing danger to public safety and/or with serious legal contraventions.

Since the Government is reviewing the BO to enhance the effectiveness of enforcement, pragmatic and robust enforcement policies must also be formulated to deal with the backlog cases. Notwithstanding this, based on the above principles, the Government will not consider lightly the suggestion of granting exemption from removal of UBWs in the form of payment of land premium, payment of punitive fines, payment of Government rent, etc. For cases of UBWs that constitute serious contraventions, we all the more do not want to convey a wrong message to the community that serious contraventions could be legalised by financial means. The possibility of increasing Government revenue through such means is also not among our considerations.

Note 1: Except domestic buildings not exceeding three storeys.

Note 2: The figures are the cumulative numbers of MBIS notices, repair orders and removal orders issued since 2012. The figures also include notices/orders received before the buildings concerned reached 50 years of age. The figures in brackets denote the number of buildings involved.

Note 3: Except for works falling within the scope of designated minor works that can be carried out under the simplified requirements of the Minor Works Control System or are exempted works under the BO.

LCQ2: Promoting professional development of manipulative therapy industry

Following is a question by the Hon Lam Chun-sing and a written reply by the Secretary for Health, Professor Lo Chung-mau, in the Legislative Council today (April 24):

Question:

Regarding the promotion of the professional development of the manipulative therapy (MT) industry, will the Government inform this Council:

- (1) of the number of massage establishments with valid licences for operation granted under the Massage Establishments Ordinance (Cap. 266) in each of the past five years, and whether it has compiled statistics on the number of such establishments providing MT; if so, of the figures; if not, whether it has plans to compile such statistics in the future;
- (2) whether it has compiled statistics on the number of new applications for massage establishment licences under Cap. 266 involving the provision of MT in each of the past five years; if so, of the respective numbers of such applications approved and rejected, the main reasons for the rejection of applications, as well as the average vetting and approval time for each application; if not, whether it has plans to compile such statistics in the future;
- (3) as some MT practitioners have relayed that MT is different from general massage services, and the current development of MT establishments providing MT may be affected by the regulation of Cap. 266, whether the Government will consider reviewing and enhancing the relevant regulatory regime; if so, of the details; if not, the reasons for that;
- (4) of the following information on MT-related courses in the Qualifications Register in each of the past five years: (i) the number of courses, (ii) the number of places, (iii) the number of enrolments, (iv) the number of trainees who completed the courses, and (v) the number and percentage of trainees who were engaged in related jobs after completing the courses, with a breakdown by type of operators (i.e. operators appointed by the Employees Retraining Board and other operators) and Qualifications Framework (QF) Level;
- (5) whether it will consider setting up a Manipulative Therapy Industry Training Advisory Committee under QF to better support the training and development of talent for the MT industry; if so, of the details; if not, the reasons for that; and
- (6) as some MT practitioners have relayed that the professional knowledge and skill levels of practitioners in the industry vary, whether the authorities will consider establishing a qualification accreditation system for the MT industry requiring practitioners to pass recognised professional examinations or assessments; if so, of the details; if not, the reasons for that and the measures in place to ensure the quality of practitioners?

Reply:

President,

At present, different types and modalities of "massage" services are available in the market (such as Thai-based massage, hot stone massage, and aromatherapy massage), with some of these services identifying themselves as "tui-na" though they are similar in nature to general "massage" services.

Generally speaking, these services do not involve healthcare services, and persons providing these services are in general not regarded as healthcare professionals.

According to the Chinese Medicine Ordinance (Cap. 549), any persons providing "tui-na", on the basis of Chinese medicine principles, might be considered as "practising Chinese medicine" (Note). According to section 108 of the Ordinance, any person who not being a registered or listed Chinese medicine practitioner practises Chinese medicine commits an offence, and may be liable to a fine at level 6 and to imprisonment for three years.

Regarding the questions raised by the Hon Lam Chun-sing concerning the regulatory regime for massage establishments and "tui-na" industry training, in consultation with the Security Bureau, the Labour and Welfare Bureau, and the Education Bureau, the relevant consolidated information is provided as follows:

The Massage Establishments Ordinance (Cap. 266) aims to regulate massage establishments through a licensing regime in order to prevent and combat vice or illegal prostitution activities committed by criminals in these establishments. The Massage Establishments Ordinance was amended in 2001 to narrow its scope of regulation. At present, the requirement for a Massage Establishments Licence does not apply to a number of specified services, for instance those provided on the premises of registered healthcare professionals (e.g. doctors, physiotherapists, Chinese medicine practitioners and chiropractors), hair salons, beauty parlours, nursing homes, etc. The numbers of licensed massage establishments under the Massage Establishments Ordinance in the past five years are as follows:

Year	Number of licensed massage establishments
2019	112
2020	113
2021	111
2022	108
2023	104
2024 (as at March)	103

When handling a new application for a Massage Establishments Licence, the Hong Kong Police Force (HKPF) will normally issue a letter of "Approval-in-Principle" to the applicant within 35 working days, allowing the applicant to commence works on the premises concerned. After relevant government departments have issued a certificate to confirm that the requirements for the works have been complied with, the HKPF will issue a Massage Establishments Licence to the applicant.

The HKPF does not maintain figures of licensed massage establishments by

the type and modalities of services provided.

From the perspectives of healthcare policy and public health risks, "tui-na" performed on the basis of Chinese medicine principles is currently subject to the regulation of the Chinese Medicine Ordinance. At the present stage, the Health Bureau does not plan to formulate a regulatory regime specifically for "tui-na" or "massage" which does not involve healthcare services.

The Qualifications Framework (QF) defines clear and objective standards applicable to qualifications in the academic, vocational, professional, and continuing education sectors. The primary objective of establishing QF is to promote lifelong learning with a view to continuously enhancing the quality, professionalism, and competitiveness of Hong Kong's workforce. Currently, the Government has set up Industry Training Advisory Committees (ITACs) for 23 industries, covering over half of the workforce in Hong Kong. Members of ITACs include representatives of major employers, employees, professional bodies and regulatory bodies of the relevant industries. The ITACs serve to provide a platform for stakeholders to jointly promote QF and exchange views on the training needs and manpower development of the industries. The establishment and operation of ITACs hinge on the consensus and collaboration of all stakeholders. The Government will continue to proactively promote QF to different industries and stakeholders and, based on the actual circumstances of the industries, including the views of industry stakeholders and regulatory bodies as well as the manpower situation, provide appropriate support in areas such as leveraging QF to enhance the manpower quality of the industries and promoting a wider adoption of QF.

The Qualifications Register (QR) is established under QF. QR is a webbased database containing information on qualifications and their respective learning programmes that have been quality-assured and recognised under QF, including the names and titles of learning programmes, qualifications, operators and granting bodies, as well as QF credits, QF Levels, and modes of delivery, to facilitate learners' access to the relevant information.

In the past five years (i.e. 2019-20 to 2023-24), as at February 2024, the Employees Retraining Board (ERB) has been providing the Foundation Certificate in Pain Release Massage (Part-time) programme pitched at QF Level 2. The numbers of training places, intakes and graduates by year are tabulated as follows:

Year	Training places	IIINTAKAS I	Number of Graduates (by course completion date)
2019-20	396	244	253
2020-21	317	122	99

2021-22	617	432	395
2022-23	635	553	486
2023-24 (as at February 2024)	594	505	469

The training bodies of the ERB do not provide employment follow-up services for students who have completed part-time courses, hence there is no record of the number and percentage of graduates who engaged in related work after completing the courses.

Information about the massage programmes under the QR, of which the granting bodies are organisations other than the ERB, in the past five years is as follows:

Calendar Year	QF Level	Number of Programmes
	Level 2	1
2023	Level 3	3
2023	Level 4	1
	Level 5	1
	Level 2	1
2022	Level 3	3
	Level 4	1
	Level 2	1
2021	Level 3	3
	Level 4	1
	Level 2	1
2020	Level 3	3
	Level 4	1
	Level 2	2
2019	Level 3	4
	Level 4	1

Note: According to section 2 of the Chinese Medicine Ordinance, "practising Chinese medicine" means any of the following act or activities— (a) the diagnosis, treatment, prevention or alleviation of any disease or any symptom of a disease; (b) the prescription of Chinese herbal medicines or proprietary Chinese medicines; (c) the regulation of the functional states of the human body, on the basis of traditional Chinese medicine in general practice, acupuncture or bone-setting, and "Chinese medicine practice" or "practice of Chinese medicine" shall be construed accordingly.

LCQ15: Exploring Middle East market

Following is a question by the Hon Edward Leung and a written reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (April 24):

Question:

Regarding exploring the Middle East market, will the Government inform this Council:

- (1) whether it will provide a specific definition for family offices (e.g. whether it will set a minimum asset threshold); if so, of the details; if not, the reasons for that;
- (2) of the number of family offices from the Middle East region among the family offices currently established in Hong Kong, and the proportion of the amount of capital they have invested in Hong Kong in the overall amount of capital invested by all family offices established in Hong Kong; of the number of family offices from the Middle East region planning to set up operations in Hong Kong;
- (3) among the family offices established in Hong Kong which came from the Middle East region as mentioned in (2), of the number of those directly facilitated by the dedicated FamilyOfficeHK team under Invest Hong Kong;
- (4) of the structure, staffing establishment and strength of the dedicated team mentioned in (3) involved in the work relating to the Middle East market; whether the authorities have allocated dedicated funding and additional manpower for targeted publicity in order to attract capital from the Middle East region; if so, of the details; if not, the reasons for that;
- (5) whether it has formulated performance indicators for individual government departments concerned in respect of attracting capital from the Middle East region, such as (i) the number of target clients to be approached, (ii) the number of events to be held, (iii) the amount of capital to be brought in, and (iv) the number of family offices to be attracted to set up in Hong Kong each year; and
- (6) as it is learnt that some Mainland cities have put in place a reward system to encourage referrers to attract enterprises and investments, under which referrers will get a cash bonus at different stages such as upon capital investment by investors and upon generation of actual tax revenues by the government, and such practice is very effective, whether the authorities will look into such practice to encourage third parties to proactively introduce family offices from the Middle East region to Hong Kong; if so, of the details; if not, the reasons for that?

Reply:

President,

In consultation with the Commerce and Economic Development Bureau and Invest Hong Kong (InvestHK), the consolidated reply to the various parts of the question is as follows:

(1) Family offices (FOs) generally refer to private companies which assume the day-to-day management and administration of the family assets of ultrahigh-net-worth individuals (usually defined as individuals with a net worth of at least US\$30 million in investible assets). There are generally two types of FOs: single FOs (which provide services to a single ultra-high-net-worth family) and multi-FOs (which provide services to multiple ultra-high-net-worth families).

Under the Inland Revenue (Amendment) (Tax Concessions for Family-owned Investment Holding Vehicles) Ordinance 2023, family-owned investment holding vehicles managed by an eligible single FO with aggregate specified assets of at least HK\$240 million are eligible for profits tax exemption.

(2) and (3) According to the research findings of the consultant commissioned by InvestHK and publicised in March this year, there were around 2 700 single FOs as of end-2023, with over half of them set up by ultra-high-net-worth individuals having a wealth of US\$50 million or above. The dedicated FamilyOfficeHK team (the dedicated team) of InvestHK provides one-stop support services to FOs and ultra-high-net-worth individuals interested in pursuing development in Hong Kong. Since its establishment in June 2021 up to end-March 2024, the dedicated team received over 650 enquiries on setting up FOs in Hong Kong (including around 40 enquiries from the Middle East). One hundred thirty-six FOs (nine of which are from the Middle East) have indicated that they are preparing or have decided to set up or expand their business in Hong Kong.

The dedicated team has assisted 64 FOs in setting up or expanding their business in Hong Kong (including 49 from the Mainland, eight from Asia, four from North America and three from Europe; thus far no FOs from the Middle East). As FOs in Hong Kong are not required to disclose their assets under management to the Government, the Government does not maintain relevant figures.

(4), (5) and (6) As set out in the 2022 Policy Address, the Government aims to attract at least a total of 1 130 companies to set up or expand their operations in Hong Kong from 2023 to 2025. In 2023, InvestHK assisted 382 companies (including four from the Middle East) to set up or expand their business in Hong Kong, representing an increase of 27 per cent over 2022. InvestHK will continue to strive to attract Mainland and overseas (including the Middle East) enterprises to invest in Hong Kong so as to achieve the performance indicator.

Regarding FOs, the Government's target is to facilitate no less than 200 FOs from any region to establish or expand their business in Hong Kong by end-2025. The dedicated team is confident in attaining the target. In 2023, the dedicated team conducted over 150 diversified investment promotion activities (e.g. roundtables, seminars, conferences, media interviews and external visits) in Hong Kong, the Mainland and overseas (including Southeast Asia, the Middle East, Europe, the Americas and Australia) to promote to target client groups Hong Kong's competitiveness and unique advantages as a FO hub through face-to-face interactions. It has established offices in Beijing, Brussels, Dubai and Singapore, and plans to deploy additional manpower in the Mainland (e.g. in Shanghai) to tell the good story of Hong Kong and showcase Hong Kong's competitiveness as a FO hub. In collaboration with the Economic and Trade Offices around the world, the dedicated team will also host roundtable forums in major cities under the theme of FOs.

The dedicated team comprises 17 posts, including one global head, one deputy global head, six senior vice presidents, two vice presidents, one senior executive manager, and six Mainland or overseas regional heads. Among the regional heads, the Head of Middle East is responsible for FO-related matters in the Middle East, and works with the investment promotion team of the Hong Kong Economic and Trade Office in Dubai to attract FOs in the Middle East to establish their operations in Hong Kong. The Government currently has no plan to set up a reward system for introducing FOs to Hong Kong.

<u>Auction of personalised vehicle</u> <u>registration marks to be held on May</u> <u>11</u>

The Transport Department (TD) today (April 24) announced that an auction of personalised vehicle registration marks (PVRMs) will be held on May 11 (Saturday) in Meeting Room N101, L1, New Wing, Hong Kong Convention and Exhibition Centre, Wan Chai.

"A total of 240 approved PVRMs will be put up for public auction. A list of the marks has been uploaded to the department's website, https://www.td.gov.hk/en/public_services/vehicle_registration_mark/index.html, a department spokesman said.

The reserve price of each of these marks is \$5,000. Applicants who have paid a deposit of \$5,000 should also participate in the bidding (including the first bid at the reserve price). Otherwise, the PVRM concerned may be sold to another bidder at the reserve price.

People who wish to participate in the bidding at the auction should take

note of the following points:

- (1) Bidders are required to produce the following documents for completion of registration and payment procedures immediately after successful bidding:
- (i) the identity document of the successful bidder;
- (ii) the identity document of the purchaser (if the purchaser and the successful bidder are different persons);
- (iii) a copy of the Certificate of Incorporation (if the purchaser is a body corporate); and
- (iv) a crossed cheque made payable to "The Government of the Hong Kong Special Administrative Region" or "The Government of the HKSAR". For an auctioned mark paid for by cheque, the first three working days after the date of auction will be required for cheque clearance confirmation before processing of the application for mark assignment can be completed. Successful bidders may also pay through the Easy Pay System (EPS), but are reminded to note the maximum transfer amount in the same day of the payment card. Payment by post-dated cheque, cash, credit card or other methods will not be accepted.
- (2) Purchasers must make payment of the purchase price through EPS or by crossed cheque and complete the Memorandum of Sale of PVRM immediately after the bidding. Subsequent alteration of the particulars in the Memorandum will not be permitted.
- (3) A PVRM can only be assigned to a motor vehicle which is registered in the name of the purchaser. The Certificate of Incorporation must be produced immediately by the purchaser if a vehicle registration mark purchased is to be registered under the name of a body corporate.
- (4) The display of a PVRM on a motor vehicle should be in compliance with the requirements stipulated in Schedule 4 of the Road Traffic (Registration and Licensing of Vehicles) Regulations.
- (5) Any change to the arrangement of letters, numerals and blank spaces of a PVRM, i.e. single and two rows as auctioned, will not be allowed.
- (6) The purchaser shall, within 12 months after the date of auction, apply to the Commissioner for Transport for the PVRM to be assigned to a motor vehicle registered in the name of the purchaser. If the purchaser fails to assign the PVRM within 12 months, allocation of the PVRM will be cancelled and arranged for re-allocation in accordance with the statutory provision without prior notice to the purchaser.

"Upon completion of the Memorandum of Sale of PVRM, the purchaser will be issued a receipt and a Certificate of Allocation of Personalised Registration Mark. The Certificate of Allocation will serve to prove the holdership of the PVRM. Potential buyers of vehicles bearing a PVRM should check the Certificate of Allocation with the sellers and pay attention to the details therein. For transfer of vehicle ownership, this certificate together with other required documents should be sent to the TD for processing," the

spokesman added.

For other auction details, please refer to the Guidance Notes — Auction of PVRM, which is available at the department's licensing offices or can be downloaded from its website,

www.td.gov.hk/en/public_services/vehicle_registration_mark/pvrm_auction/index
.html.