

LCQ4: Exempting certain persons from compulsory quarantine when entering Hong Kong

Following is a question by the Hon Mrs Regina Ip and a reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (June 23):

Question:

It is learnt that since the end of last month, the Chief Secretary for Administration has been exempting, under the Prevention and Control of Disease Ordinance, those persons who have completed a coronavirus disease 2019 vaccination course and belong to the following categories from compulsory quarantine when entering Hong Kong: senior personnel of institutions in the banking sector, insurance sector and securities and futures sector as well as locally listed companies. In this connection, will the Government inform this Council:

(1) of the latest update on the implementation of the aforesaid quarantine exemption arrangement, including the respective up-to-date numbers of applications received and approved; and

(2) whether it will extend the scope of the exemption arrangement to include senior personnel from other industries and major multinational enterprises; if so, of the details; if not, the reasons for that?

Reply:

President,

My response to the two parts of the question raised by the Hon Mrs Ip, in consultation with other relevant bureaux, is as follows:

(1) Hong Kong, as an international financial centre, houses a large number of multinational and regional financial institutions. Many financial institutions in Hong Kong are a key part of their mainland, regional or global setup. The quarantine requirements imposed on movement of people during the pandemic have put the operations of many financial institutions to inconvenience, hindering the functioning of some of their headquarters. Considering that the pandemic will linger for a while, it is necessary to suitably facilitate senior executives in the industry to enter or re-enter Hong Kong with controlled risk, in order to maintain Hong Kong's status as an international financial centre and resume economic activities as soon as possible.

In this connection, under the principle of risk-based, strict control

and careful monitoring, the Government and the Hong Kong Monetary Authority (HKMA), Securities and Futures Commission (SFC), Insurance Authority (IA), in consultation with the health authorities, have agreed to designate qualified persons in financial services sectors to be exempted from the compulsory quarantine arrangements under the Compulsory Quarantine of Certain Persons Arriving at Hong Kong Regulation (Cap. 599C) (the Regulation) and the Compulsory Quarantine of Persons Arriving at Hong Kong from Foreign Places Regulation (Cap. 599E). Nevertheless, those who have stayed at extremely or very high risk places would not be given any exemption. Qualified persons in financial services sectors would only be given exemption subject to the following key conditions and requirements of exemption:

1. An applicant for exemption must have completed a COVID-19 vaccination course on or before the 14th day prior to his/her arrival at Hong Kong;
2. An applicant for exemption should be hired by a financial institution or an associated financial institution under the direct regulation of the three financial regulators, i.e. the HKMA, the SFC and the IA;
3. Each qualified financial institution can only submit applications for a maximum of two Hong Kong-based persons and two visiting persons in each month;
4. An application must be signed and submitted by the senior management of the relevant financial institution. An exempted person should be a senior executive with international or regional role at the institution, and travel primarily for the purpose of managing the group institution that they are held responsible for;
5. Depending on the risk level of the place where the exempted person has stayed before he/she arrives at Hong Kong, exempted persons will be required to self-isolate in designated quarantine hotels or at home. During the period, exempted person will only be allowed to conduct essential business activities according to the submitted itinerary by using point-to-point transportation. Meals with other persons or social activities would not be allowed;
6. An exempted person must conduct multiple COVID testing in accordance with the prevailing requirements before the departure, upon his/her arrival at Hong Kong and during the period in which he/she remains in Hong Kong; and
7. The compliance department of the applying institution must submit periodic attestations to the relevant regulator on the compliance of the exemption conditions by the exempted person.

For listed companies, we have, under the Regulation, exempted (i) Directors of the companies listed on Stock Exchange of Hong Kong (SEHK) or directors of companies applying for listing on SEHK who are on duty travel to and from the Mainland to attend statutory meetings (such as Annual General Meetings and listing hearings as stipulated by the Listing Rules), and (ii) Directors or executives of the some 500 companies listed on the SEHK that are

included in the major indexes who travel to and from the Mainland for essential business activities from the compulsory quarantine requirement since May and June respectively last year. These arrangements are now expanded to cover persons meeting the same eligibility requirements to travel to and from other places. The conditions and requirements of exemption for these persons under the expanded arrangements are on par with those applied to the abovementioned exempted financial practitioners.

As of June 22, 2021, financial regulators and the SEHK have received 151 applications under the quarantine exemption arrangement mentioned above, among which two have been approved and 105 have been rejected or withdrawn. The remaining applications are under processing.

The Financial Services and the Treasury Bureau and financial regulators will closely monitor the implementation of the arrangement and review the detailed arrangement in accordance with the directives given by the health authorities from time to time. As per proposed advice on adjustment of quarantine arrangement in the light of the inclusion of serology test from the Scientific Committee on Vaccine Preventable Diseases and the Scientific Committee on Emerging and Zoonotic Diseases under the Centre for Health Protection of the Department of Health in association with the Chief Executive's expert advisory panel released on June 9, the Government announced on June 21 that the adjusted quarantine arrangement for inbound travellers is being actively followed up. The duration of compulsory quarantine for inbound travellers who have stayed at medium to high-risk places could be shortened provided that they are fully vaccinated and tested positive in serology test. Accordingly, we have included antibody test in the quarantine exemption arrangement for qualified persons in financial services sectors and of listed companies as an additional requirement. The self-isolation period of exempted persons who are tested positive in antibody tests can be reduced to seven days.

(2) We consider that the above exemption arrangements are made under the principle of risk-based, strict control and careful monitoring, especially in that only financial institutions or listed companies under direct regulation of financial regulators and SEHK may submit applications, and that financial regulators and SEHK will monitor compliance by exempted persons. The Government would draw on their experience in considering whether other relevant arrangements should be put in place in future.

Thank you President.