

[TAC Chairman welcomes traffic and transport-related initiatives in Budget](#)

The following is issued on behalf of the Transport Advisory Committee:

The Chairman of the Transport Advisory Committee (TAC), Professor Stephen Cheung, today (February 28) welcomed the traffic and transport-related initiatives set out in the Financial Secretary's 2024-25 Budget.

Professor Cheung said, "Transport infrastructure provides the impetus for economic development. The Budget announced that the Government is taking forward in an orderly manner the railway and major road projects set out in the Hong Kong Major Transport Infrastructure Development Blueprint, and plans to invite within the year suppliers/operators to submit expressions of interest for the smart and green mass transit systems in East Kowloon, Kai Tak and Hung Shui Kiu/Ha Tsuen; and will continue to work with the Shenzhen authorities to take forward two cross-boundary projects, namely the Hong Kong-Shenzhen Western Rail Link (Hung Shui Kiu – Qianhai) and the Northern Link Spur Line, with a view to meeting the commuting needs of the public and tourists as well as the development needs of the city. I support the Government to strengthen connections between different areas and unleash the development potential of areas along transport infrastructure.

"I note that the Budget features initiatives to proactively promote green transport, including promoting the trials of various new energy public transport, as well as the trials on a variety of new energy commercial transport through the New Energy Transport Fund. I firmly believe that these initiatives will help promote the gradual transformation of public transport towards sustainable development, which will help achieve carbon neutrality and enhance the commuting experience of the public.

"The TAC will, as always, continue to earnestly offer views on various traffic and transport policies and measures to the Government for building and enhancing our transportation system, with a view to promoting and consolidating Hong Kong's status as an international metropolis."

[LCQ15: Encouraging public to exercise more](#)

Following is a question by the Hon Kenneth Leung and a written reply by the Secretary for Culture, Sports and Tourism, Mr Kevin Yeung, in the

Legislative Council today (February 28):

Question:

The findings of the Territory-wide Physical Fitness Survey for the Community announced by the Government last year indicated that more than half of the public did not have sufficient physical activity, with 66.3 per cent of children and 50.7 per cent of adolescents failing to meet the World Health Organization's recommended standards for physical activity (i.e. an average of 60 minutes per day of moderate-to-vigorous physical activity through the week). On the other hand, the Leisure and Cultural Services Department (LCSD) organises diversified sports programmes for people of different ages and abilities. In this connection, will the Government inform this Council:

(1) of the number of persons registered as Users of LCSD Fitness Rooms, as well as the attendance and overall average usage rate of LCSD Fitness Rooms in each of the past three years;

(2) as the Chief Executive mentioned in the 2023 Policy Address that the Government would introduce smart fitness equipment at four LCSD outdoor recreation venues in 2024, of the latest progress and timetable of the relevant initiative, as well as the number of smart fitness equipment to be set up at each venue;

(3) whether it will consider drawing reference from overseas experience to launch an exercise programme for all which deploys innovative digital technologies, such as fitness mobile applications and platforms for storing personal sports data, to encourage the public to exercise more, thereby establishing a healthy lifestyle; if so, of the details; if not, the reasons for that;

(4) as the aforesaid survey report has made recommendations for different age groups, for instance, emphasising the importance of quality of homework to schools, organising more family-based exercise events on holidays, and providing more weight management education and exercise programmes specific to obesity in adolescents, whether the relevant government departments have taken follow-up actions, and whether indicators will be set for improving the level of physical activity of different age groups in the future; and

(5) whether it will step up various measures for the promotion of "Sports for All" (e.g. increasing the frequency of holding the Sport For All Day, as well as increasing the number of times for which LCSD sports facilities are opened up for free and thematic sports days are conducted), so as to drive the public to build up a habit of regular exercise, thereby increasing their physical activity sufficiency?

Reply:

President,

My reply to the question raised by the Hon Kenneth Leung is as follows:

(1) The number of persons registered as users and the attendance of Leisure and Cultural Services Department (LCSD) fitness rooms over the past three years are set out as below:

Year	No. of registered users of fitness rooms	Attendance of fitness rooms
2021*	14 018	2 772 465
2022*	15 495	2 462 772
2023#	33 892	4 851 565

*In light of the development of COVID-19, most of the sports premises under the LCSD, including fitness rooms, were closed during some periods in 2021 and 2022. When the premises were open, social distancing and anti-epidemic measures of varying scales were adopted.

#Although the LCSD fitness rooms resumed services in 2023, members of the public generally heightened their epidemic preparedness given the prevalence of COVID-19 and influenza in the community, thereby rendering them more cautious in the use of fitness equipment which are shared in turns with other users, resulting in the relatively low utilisation of the fitness room at the beginning of 2023. As the society resumed normalcy in full since March 2023, the monthly usage numbers have gradually increased. To optimise the use of fitness room resources, the LCSD has offered members of the public convenient access to learning resources on fitness room equipment by organising free "briefings on proper use of fitness room equipment", with a view to helping more members of the public acquire the qualifications required for using fitness rooms.

(2) The LCSD will introduce, on a trial basis, smart fitness equipment to Victoria Park in Wan Chai District, Hoi Fai Road Promenade in Yau Tsim Mong District, Kowloon Tsai Park in Kowloon City District and Hoi Chu Road Playground in Tuen Mun District in 2024-25. The equipment will allow users to store and retrieve data of their physical activities and access information on sports and health. This will facilitate their management of personal health and monitoring of their own physical fitness and add fun to exercising, thereby encouraging members of the public to exercise regularly.

(3) In response to the recommendations of the report of Territory-wide Physical Fitness Survey for the Community (the Survey), the LCSD has launched a pilot scheme where self-test fitness corners were set up in fitness rooms of eight sports centres in January 2024. These enabled members of the public to conduct, with aid of Bioelectrical Impedance Analysers, simple physical fitness tests in a self-service manner at any time so as to obtain information such as body fat percentage, muscle mass and body water content, and instantly download test reports via smartphones. Such an arrangement will be extended to the remaining 10 districts by the end of 2024, with anticipated usage by about 100 000 people per year.

(4) To promote "Sport for All" and encourage members of the public to develop the habit of regular exercise, the LCSD organises diversified recreation and sports programmes for participation by people of different ages and abilities. These programmes include sports training courses, competitions and recreation activities.

Following the recommendations of the Survey report, the LCSD has published the Survey results and the preliminary recommendations via various media channels, including press releases, social media and relevant websites, enabling the public to understand their current level of physical fitness and the importance of regular participation in sports and physical activities. The LCSD has, in collaboration with government departments, stepped up publicity to convey to members of the public the importance of regular participation in physical activities, and offered opportunities for their more active participation in recreation and sports activities, in a bid to improve physical fitness of the general public. The specific follow-up work of the government departments concerned is as follows:

The LCSD has drawn up specific follow-up work plans with a view to encouraging children and young people to engage in adequate physical activities of appropriate intensity. These include providing members of the public with more varied recreation and sports facilities and combination of programmes, thereby optimising their chance of participation in favourite sports, while encouraging parents' engagement in more family-based physical activities to add incentives for children to participate in physical activities. Meanwhile, the LCSD will promote children and young people's understanding of the "Physical Activity Baseline Indicator" by means of publicity such as setting up dedicated webpages, producing videos and holding roving exhibitions, in order to relay the importance of regular exercise and its health benefits in a light-hearted manner.

To further promote those recreation and sports programmes which are popular among young people, the LCSD has set up a new dedicated page "For Youth" on the "LCSD Edutainment Channel" with information on various recreation and sports programmes such as the Hong Kong Games, School Sports Programme, Learning Sports 101, Urban Sports, Sport For All Day as well as Community Recreation and Sports Programmes. It serves as a one-stop platform where young people can access and enrol to the programmes catering to them. As regards sports competitions, the 9th Hong Kong Games also introduces new age groups, namely "15 or below" and "16 to 17", for individual sports events such as athletics, swimming, badminton, table tennis and tennis, in a bid to attract greater participation from youths.

The LCSD has introduced the Pilot Scheme on Subvention for New Sports since 2021, where subvention is provided to local sports organisations to support and promote development of new sports, thereby offering more choices and chances for members of the public to experience new sports and encouraging greater participation in sports.

The Education Bureau (EDB) has included the World Health Organization's

recommendation that children and adolescents aged 5 to 17 should accumulate at least an average of 60 minutes daily of moderate- to vigorous-intensity physical activities (MVPA60) across the week as one of the directions of the Physical Education (PE) curriculum. The "Active Students, Active People" Campaign has also been launched in the 2021-22 school year to rally the concerted efforts of schools and parents as well as other stakeholders to promote an optimised sports atmosphere in schools and in society. The Campaign offers a series of PE activities, as well as learning and teaching resources to support schools in mobilising students' participation in physical activities to further engage students in developing an active and healthy lifestyle. Since the launch of the Campaign, more than 140 000 student participants have been achieved. The EDB will inject new elements into the Campaign in a timely manner so as to meet the needs of schools.

Besides, the Department of Health (DH) encourages members of the public to do more physical activities and promotes healthy lifestyle through different promotion campaigns. For example, the "10,000 Steps a Day" Campaign launched in 2022 includes a series of publicity drives on walking in the community and the walking challenge organised for two consecutive years to encourage members of the public to walk more. In addition, the "StartSmart@school.hk Campaign", "Whole School Health Programme" and "Adolescent Health Programme" encourage schoolchildren to do more physical activities, whereas the "I'm So Smart" Community Health Promotion Programme promotes healthy lifestyle including regular physical activity in the community. In the future, the DH will continue to encourage members of the public to build an active lifestyle to prevent non-communicable diseases through various channels.

(5) To spread the message of "Sport for All" to members of the public, the LCSD has organised the Sport For All Day every August since 2009, with the slogan being "Stay Active, Healthy and Happy!", where a series of free sports and recreation programmes are offered at designated LCSD venues across the 18 districts, while most of the LCSD leisure and sports facilities are open for free use by members of the public. To further promote "Sport for All" and encourage members of the public to do more exercise, the LCSD will increase the number of days when its sports facilities are open for free use and hold thematic sports days for public participation, thereby offering members of the public more free access to the LCSD leisure facilities to experience the benefits and fun of doing exercise and develop a good habit of regular exercise.

LCQ19: Post-secondary institutions

â€‹Following is a question by Dr the Hon Chow Man-kong and a written reply by the Secretary for Education, Dr Choi Yuk-lin, in the Legislative Council today (February 28):

Question:

Regarding post-secondary institutions, will the Government inform this Council:

(1) whether it knows the following information in respect of the (a) 11 approved post-secondary colleges registered under the Post Secondary Colleges Ordinance (Cap. 320), (b) self-financing arms or community colleges under the eight universities funded by the University Grants Committee (UGC), and (c) seven post-secondary institutions registered under the Education Ordinance (Cap. 279) or the post-secondary institutions registered under other relevant legislation: (i) the number of teaching staff and (ii) the amount of funding awarded under the Competitive Research Funding Schemes for the Local Self-financing Degree Sector in the 2022/23 school year and the current school year, as well as (iii) the number of students enrolled in sub-degree (SD) and undergraduate (Ug) programmes and (iv) the number of students enrolled in research postgraduate (RPg) programmes and taught postgraduate (TPg) programmes in each year since the 2021/22 school year up to the current school year (set out in Tables 1 to 4);

Table 1

Name of institution	(i)	
	2022/23 school year	2023/24 school year
(a)		
(b)		
(c)		

Table 2

Name of institution	(ii)	
	2022/23 school year	2023/24 school year
(a)		
(b)		
(c)		

Table 3

Name of institution	(iii)								
	2021/22 school year			2022/23 school year			2023/24 school year		
	SD	Ug	Total	SD	Ug	Total	SD	Ug	Total
(a)									
(b)									
(c)									

Table 4

Name of institution	(iv)								
	2021/22 school year			2022/23 school year			2023/24 school year		
	RPg	TPg	Total	RPg	TPg	Total	RPg	TPg	Total
(a)									

(b)									
(c)									

(2) of the total number of projects receiving funding under the Enhancement and Start-up Grant Scheme for Self-financing Post-secondary Education in the past two school years, and set out in a table the following information in respect of each approved project: (i) institution, (ii) the industry/sector involved in the project, (iii) project name, (iv) offering mode (i.e. full-time or part-time), (v) grants approved, (vi) cost savings and percentage, (vii) the key areas for which the grants are used and (viii) the number of students benefited; if there were rejected project applications, the percentage of rejected projects in each round of application and the specific reasons for that;

(3) whether the UGC has considered launching a new round of Matching Grant Scheme, and through regularly injecting funds and adopting a two-tier matching formula to promote the long-term development of local post-secondary institutions (including self-financing post-secondary education institutions (self-financing institutions)) in projects such as independent research and development (R&D), commercialisation of R&D outcomes, and facilitation of the construction of disciplines in which Hong Kong has a pressing need for talents, so as to tie in with the National 14th Five-Year Plan and the Hong Kong Innovation and Technology Development Blueprint to develop Hong Kong into an international innovation and technology centre; if so, of the details; if not, the reasons for that;

(4) given that currently there is still a cap on the number of non-local students that publicly-funded institutions and self-financing institutions may admit, of the specific details of the implementation of the relevant requirements by various post-secondary institutions in the 2022/23 school year and the current school year, and set out, by programme level, in tables 5 and 6: (a) in respect of non-local students, (i) their number and (ii) their percentage in the funded student quota of the relevant programmes, and (b) in respect of the Mainland, Macao and Taiwan students enrolling in SD and Ug programmes, (iii) their number and (iv) their percentage in the total student enrolments of the relevant programmes in the preceding school year;

Table 5

Name of institution	Level of study	(a)			
		2022/23 school year		2023/24 school year	
		(i)	(ii)	(i)	(ii)
	SD programme				
	Ug programme				
	TPg programme				
Total	SD programme				
	Ug programme				
	TPg programme				

Table 6

Name of institution	(b)					
	2022/23 school year			2023/24 school year		
	(iii)		(iv)	(iii)		(iv)
	SD	Ug		SD	Ug	

(5) whether it will consider completely revoking the cap on the number of non-local students (especially Mainland students) who may be admitted to self-financing programmes offered by publicly-funded institutions and self-financing institutions in order to make good use of higher education resources and build up the talent pool, thereby further achieving the goal of building Hong Kong into an international hub for post-secondary education as proposed by the Chief Executive in the 2023 Policy Address; if so, of the details; if not, the reasons for that; and

(6) as it is learnt that self-financing institutions, before offering programmes in a new subject (including SD, Ug and TPg programmes), are required to obtain approval from the Hong Kong Council for Accreditation of Academic and Vocational Qualifications, the relevant professional bodies and the Education Bureau, and it can take years from the organisation to the offering of such programmes, some members of the sector are of the view that some of the relevant procedures are redundant and outdated and have imposed many constraints on self-financing institutions, whether the authorities will, on the premise of maintaining the quality of education and credibility, consider reviewing and streamlining the administrative procedures for vetting and approving the programmes offered by self-financing institutions, in order to meet the manpower demand in the market (particularly for the development of innovation and technology as well as emerging industries) and expeditiously offer places in the corresponding programmes; if so, of the details; if not, the reasons for that?

Reply:

President,

It has all along been the Government's policy to support the parallel development of the publicly-funded and self-financing post-secondary education sectors. The self-financing sector helps diversify our higher education system and provides more education opportunities for our secondary school graduates. In pursuance of this policy, the Education Bureau (EDB) exercises oversight of the self-financing institutions, focusing on ensuring their transparency of operation, quality assurance, and good governance, while implementing a host of support measures for institutions as well as providing subsidies for students to promote the healthy and sustainable development of the self-financing sector.

Our reply to the questions raised by Dr the Hon Chow Man-kong is as follows:

(1) The numbers of academic staff members of the self-financing post-secondary institutions by institution from the 2022/23 to 2023/24 academic years (AYs) are at Annex 1.

The Competitive Research Funding Schemes for the Local Self-financing Degree Sector was launched in 2013 to support the academic and research development of the local self-financing degree-awarding sector on a competitive basis through the funding of the Research Endowment Fund. The amounts of funding allocated to participating institutions under the Schemes by institution from 2022-23 to 2023-24 are at Annex 2.

The numbers of students enrolled in full-time locally-accredited self-financing sub-degree (SD) and undergraduate (Ug) programmes by institution from the 2021/22 to 2023/24 AYs are at Annex 3.

The numbers of students enrolled in locally-accredited self-financing research postgraduate (RPg) and taught postgraduate (TPg) programmes by institution from the 2020/21 to 2022/23 AYs are at Annex 4. The relevant statistics for the 2023/24 AY are being consolidated and are not available at the moment.

(2) In the 2021/22 and 2022/23 rounds of applications of the Enhancement and Start-up Grant Scheme for Self-financing Post-secondary Education (ESGS), 19 and eight applications were received respectively, among which four and two projects were approved with a total grant of about \$117 million and \$57 million respectively. The approved projects cover a range of sectors, including allied health, art technology, game design, engineering, construction management, and supply chain management, which are conducive to catering for the keen manpower demands of the relevant industries. Details of the approved projects are at Annex 5.

Under the ESGS, the Committee on Self-financing Post-secondary Education (CSPE) will advise the Secretary for Education on the merits of the applications, having regard to the following:

- (a) whether a programme under application is able to nurture talent for a specific industry that has been identified with a strong human resources need/gap that has not been filled;
- (b) whether a programme under application is in line with the relevant institution's strategic positioning in the sector and its academic development plan; and
- (c) the programme design, costs, financial sustainability, student admission plan, and any other relevant factor.

The Secretary for Education will consider the recommendations of the CSPE and all relevant factors when making funding approval under the ESGS.

(3) With the approval of a commitment of \$3 billion by the Finance Committee of the Legislative Council in June 2019, the University Grants Committee (UGC) implemented the Research Matching Grant Scheme (RMGS) in August 2019. To date, participating universities/institutions have submitted applications with donations amounting to \$5.13 billion for matching grants approved under

the RMGS. The total amount of matching grants disbursed is \$2.87 billion and the remaining \$130 million is expected to be disbursed within this year.

From the reports submitted by the universities/institutions to the UGC, it is noted that the RMGS has contributed to a wide range of outcomes relating to funded research projects, including journal publications, scholarly books, patents, international academic/research awards, and international accreditation. Some scientific research outcomes have been successfully commercialised, contributing to society in innovation and technology areas such as artificial intelligence, big data, and biomedical engineering. The Government currently has no plan to launch a new round of RMGS.

(4) and (5) The eight UGC-funded universities may admit non-local students to UGC-funded taught programmes by way of over-enrollment. The non-local student enrolment ceiling will be doubled from the currently a level equivalent to 20 per cent of the local student places to 40 per cent with effect from the 2024/25 AY. It is worth noting that all non-local students pursuing UGC-funded taught programmes do not receive public funding, and that the number of such non-local students is accounted for separately from local student places so as to ensure that study opportunities for local students will not be affected.

In the 2022/23 and 2023/24 (provisional figures) AYs, the proportion of non-local students studying UGC-funded Ug programmes were 19.2 per cent and 19.9 per cent, and the proportion for TPg programmes were 6.2 per cent and 6.5 per cent respectively. There were only very few non-local students enrolled in SD programmes. Statistics of non-local students studying SD, Ug, TPg, and RPg programmes at individual UGC-funded universities are set out at Annex 6. There is no quota restriction for the admission of non-local students to UGC-funded RPg programmes.

As regards the self-financing post-secondary sector, save for students from the Mainland, Macao and Taiwan (MMT), there is no restriction on the admission of non-local students to full-time locally-accredited self-financing local SD, Ug, TPg, and RPg programmes. For MMT students, six local self-financing post-secondary institutions, namely, Hong Kong Metropolitan University (HKMU), Hong Kong Shue Yan University (HKSYU), The Hang Seng University of Hong Kong (HSUHK), Hong Kong Chu Hai College, Tung Wah College, and Technological and Higher Education Institute of Hong Kong under the Vocational Training Council, have been approved by the Ministry of Education (MoE) to admit Mainland students to their full-time locally-accredited self-financing local degree programmes. Under the mechanism agreed by the MoE, there is a quota restriction on the number of MMT students enrolled in full-time locally-accredited self-financing local SD and Ug (including top-up degree) programmes by these six specified self-financing institutions in each AY, which should normally not exceed 10 per cent of the total student enrolment in such programmes in the preceding AY. There is no quota restriction for postgraduate programmes. In accordance with the abovementioned mechanism, taking into account relevant institutions' satisfactory track record, performance in admission of local and Mainland

students, and the utilisation of the prevailing quota, the EDB has increased the relevant quota applicable to HKMU, HKSYU, and HSUHK to 20 per cent with effect from the 2023/24 AY. As regards SD programmes, all self-financing institutions may admit non-local students (including MMT students) to their full-time locally-accredited self-financing local SD programmes, and the above-mentioned 10 per cent or 20 per cent quota is also applicable.

The numbers of MMT students of full-time locally-accredited self-financing local SD and Ug programmes of self-financing post-secondary institutions as well as the respective percentages of the total student enrolments in such programmes in the preceding AY from the 2022/23 to 2023/24 AYs, by institution and level of study, are at Annex 7.

The Chief Executive's 2023 Policy Address outlined the direction to develop Hong Kong into an international education hub and a cradle of future talent. The Government is further harnessing the advantages of Hong Kong's post-secondary education in terms of internationalisation and diversification, with a view to proactively developing Hong Kong into an international post-secondary education hub. While attracting and nurturing diverse talent, and creating strong impetus for the development of Hong Kong, we aim to facilitate people-to-people bond, serve Hong Kong, and contribute to the country. In this connection, the Government is launching a number of initiatives, including doubling the non-local student quota of publicly-funded post-secondary institutions to 40 per cent of the local student places with effect from the 2024/25 AY. The institutions may, having regard to their own conditions, progressively attract more non-local students. As regards the self-financing post-secondary education sector, the Government will continue to explore with the MoE feasible enhancements to the arrangements for Mainland students to study in Hong Kong, with a view to achieving the abovementioned policy objectives.

(6) In view of their self-financing mode of operation, self-financing institutions enjoy greater flexibility in programme development to respond to the ever-evolving manpower needs of different sectors of society, complementing publicly-funded institutions in providing diversified articulation pathways for young people and nurturing talent needed by the market.

While upholding the spirit of institutional autonomy, the EDB has been working closely with self-financing institutions and the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ) to ensure that the quality of the programmes offered by relevant institutions meet the corresponding standards on the one hand, and to facilitate the strategic co-ordination of the self-financing sector on the other hand, supporting institutions to develop their distinct niche areas and responding to society's manpower needs in a timely manner.

In general, except for institutions with self-accrediting status, self-financing institutions are required to go through the relevant accreditation by the HKCAAVQ before launching post-secondary programmes (i.e. degree and sub-degree programmes), so as to ensure that the governance structure,

academic standards and quality, teacher quality, quality assurance mechanisms, and financial conditions, etc, meet the required standards.

For degree programmes, self-financing institutions registered under the Post Secondary Colleges Ordinance (Cap. 320) are required to go through HKCAAVQ's independent external academic accreditation and obtain the prior approval of the Chief Executive-in-Council (CE-in-C) before awarding new degrees. Before conducting academic accreditation, institutions are required to consult the EDB on their proposed programmes to facilitate the strategic co-ordination of the self-financing sector, with a view to ensuring that self-financing programmes could cater to actual market needs and nurture talent with the required skills of the industries.

As regards sub-degree programmes (i.e. Higher Diploma and Associate Degree programmes), institutions are required to develop relevant programmes in accordance with the EDB's Revised Common Descriptors for Associate Degree and Higher Diploma Programmes and go through HKCAAVQ's independent external academic accreditation, so as to ensure that the design and teaching and learning of the relevant programmes could meet society's needs and expectations. Relevant programmes are not required to obtain the prior approval of CE-in-C.

In fact, HKCAAVQ's quality assurance mechanism and standards are widely recognised internationally. It underwent external benchmarking exercises in 2021 and 2023 respectively and has become the first quality assurance agency in the Asia-Pacific Region to have attained recognition from both the European Association for Quality Assurance in Higher Education and the International Network for Quality Assurance Agencies in Higher Education. The EDB will continue to work closely with the HKCAAVQ to continuously enhance the quality assurance mechanism for the self-financing sector and provide facilitation, with a view to supporting self-financing institutions to develop quality programmes that meet manpower needs, while promoting the development of vocational and professional education and training.

Man jailed for conspiring to smuggle and illegally possessing pangolin scales

A 52-year-old man was sentenced to 48 months' imprisonment today (February 28) at the District Court after an earlier conviction for conspiring to smuggle and illegally possessing pangolin scales, in contravention of the Protection of Endangered Species of Animals and Plants Ordinance.

In December 2018, officers from Hong Kong Customs inspected a batch of air consignment arriving from Malaysia at Hong Kong International Airport and found about 240 kilograms of pangolin scales therein. After a follow-up investigation, about 200kg of pangolin scales were further seized in January 2019. The man connected with the case was subsequently arrested.

Customs welcomes the ruling. The sentence of imprisonment has imposed a considerable deterrent effect and reflects the seriousness of the infringing offence related with endangered species.

Under the Ordinance, any person found guilty of importing, exporting, or possessing any endangered species without a required licence is liable to a maximum fine of \$10 million and imprisonment for 10 years.

Members of the public may report any suspected smuggling activities to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk) or online form (eform.cefs.gov.hk/form/ced002/).

LCQ9: Positioning of Hong Kong's development

â€‹Following is a question by the Hon Paul Tse and written reply by the Deputy Financial Secretary, Mr Michael Wong, in the Legislative Council today (February 28):

It has been reported that a Mainland political scientist warned earlier on at a Guangdong-Hong Kong-Macao Greater Bay Area seminar that Hong Kong was "rapidly becoming isolated". In a recent newspaper feature interview, the Provost and Deputy Vice-Chancellor cum Chair Professor of Economics of the University of Hong Kong also indicated that the established industries in Hong Kong were facing difficulties and were even dying. On the other hand, there are views that the implementation of the new 30-day mutual visa-free arrangement (the new arrangement) between China and Singapore this month has facilitated the entry of Mainland talents and capital into Singapore for travel, property acquisition and investment, which has in effect strengthened and favoured the competitive advantage of Singapore vis-à-vis Hong Kong. Some commentators on current affairs have even pointed out that the new arrangement is only the first step, and it is Beijing's strategic goal to let Singapore become another fundraising window in place of Hong Kong. In this connection, will the Government inform this Council:

(1) as there are views pointing out that with a number of western countries already regarding Hong Kong as a "Mainland city" and Mainland cities regarding Hong Kong as a competitor, Hong Kong is facing "internal and

external ordeals", how the authorities identify development directions;

(2) in the light of some experts' views pointing out that the four pillar industries which used to be on the lips of government officials have "fallen" one after another, and the innovation and technology industries in which investment has been made at all costs have not been seen yielding significant economic returns, how the Government, in the face of the established industries which are said to be "dying", separates the wheat from the chaff and makes good use of the increasingly tight public money to make appropriate investment, so as to bring returns to the Treasury; and

(3) as some members of the public are concerned that Mainland residents' entry into Hong Kong is currently subject to visa restrictions, whereas the new arrangement allows Mainland residents to enter Singapore visa-free for 30 days, whether the authorities have studied the possible negative economic impacts of the new arrangement on Hong Kong's tourism, commerce and trade, investment, etc., so as to relay the matter to the Central Authorities and gain an understanding of the reasons for that?

Reply:

President,

In recent years, the global political and economic situation has been fraught with uncertainty, and the global economy exposed to multiple risks. As a small and open economy, Hong Kong faces a number of challenges. Nevertheless, thanks to our solid foundation and the strong support of our motherland, Hong Kong remains vibrant and resilient. The Government is actively reinforcing Hong Kong's strengths, pursuing economic diversification and further improving its governance. Under the "one country, two systems", Hong Kong has the distinctive advantages of enjoying strong support of the motherland and being closely connected to the world. Hong Kong is still an international city abound with opportunities.

The Government welcomes constructive views and proposals from various sectors on how to drive Hong Kong's future growth and prosperity, and will listen to and study them carefully. However, we cannot agree with some over-pessimistic remarks and must rebuke them.

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

(1) and (2) "One country, two systems" is not only the cornerstone of Hong Kong's prosperity and stability, but also a pillar of the ocean underpinning the further development of our city. Under "one country, two systems", Hong Kong's previous systems and way of life remain unchanged. With its robust legal and financial systems, low and simple taxes and global connectivity, Hong Kong offers a dynamic, safe, secure and convenient place for doing business. Over the past decade, Hong Kong has ranked among the top seven most competitive economies in the world. Furthermore, according to the World Investment Report 2023 released by the United Nations Conference on Trade and Development, Hong Kong was ranked as the fourth largest recipient of foreign

direct investment in the world in 2022. The above figures fully reflect that Hong Kong has won international recognition.

In order to enable Hong Kong to better utilise its unique advantages, the Government established the Steering Group on Integration into National Development (Steering Group) at the end of 2022. The Steering Group strengthens top-level overall leadership, and promotes and supervises work on integrating into overall national development from a macro perspective. The Steering Group, chaired by the Chief Executive, actively dovetails with national strategies such as the National 14th Five-Year Plan, development of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) and high quality development of the Belt and Road (B&R) Initiative, and strengthens co-operation with different regions in the Mainland, thereby injecting continuous impetus to the growth of Hong Kong.

Being interdependent in nature, Hong Kong and Mainland provinces and municipalities can achieve greater synergy by supporting and complementing each other. At present, the Government has already established regional co-operation mechanisms with Beijing, Guangdong, Shenzhen, Shanghai, Fujian, Sichuan, Hubei, Chongqing and the Pan-Pearl River Delta region respectively. We will continue to deepen the co-operation with various Mainland provinces and municipalities by launching more initiatives on the existing co-operation platforms and exploring the development of new co-operation platforms for utilising Hong Kong's strengths proactively.

The GBA is one of the most open and economically vibrant regions in the country. Being the most international city in the GBA, Hong Kong will play the important role as a core engine for regional development and proactively take forward the development of the GBA. The Government will continue to maintain close liaison with relevant central ministries and commissions, and work with the governments of Guangdong and Macao under the principles of complementarity to proactively seek policy innovations and breakthroughs, with a view to fostering the efficient flow of essential factors of production, such as flow of people, goods, capital and information within the GBA. This will create greater opportunities for Hong Kong people and enterprises seeking development in the Mainland cities of the GBA, and enhance interconnectivity among cities of the GBA.

Despite the highly uncertain external environment, Hong Kong will continue to benefit from the shift in global economic gravity from West to East. Under the new international landscape, Mainland and overseas enterprises are eager to explore Asian markets and identify locations for setting up regional headquarters. Being the only world-class city that capitalises on both the China advantage and the international advantage, Hong Kong serves as the bridge linking the Mainland and the rest of the world, as well as the springboard for overseas enterprises to access the huge Mainland market and for Mainland enterprises to go global. Hong Kong is the best choice at which Mainland and overseas enterprises choose to establish their presence. With the steady economic growth in the Mainland, Hong Kong is well-placed to play the roles as "super connector" and "super value-adder", thereby pursuing new directions and new opportunities for development.

“Eight centres” and “Four pillars”

We will continue our active integration into overall national development, and continue to consolidate and enhance Hong Kong’s development in eight key areas (eight centres) as outlined in the 14th Five-Year Plan. The eight centres are the international financial centre, international innovation and technology centre, East-meets-West centre for international cultural exchange, international trade centre, international shipping centre, international aviation hub, centre for international legal and dispute resolution services in the Asia-Pacific region as well as regional intellectual property trading centre, providing impetus for sustaining our competitiveness and economic growth.

Financial services, tourism, trading and logistics, and professional services and other producer services are the four pillar industries in Hong Kong. According to the latest figures of the Census and Statistics Department, in 2022 the four key industries in the Hong Kong economy generated value added at \$1,538.8 billion, accounting for 56.3 per cent of the Gross Domestic Product, and employed 1 448 400 persons, accounting for about 40per cent of total employment.

Financial services

As an international financial centre, Hong Kong’s financial market is characterised by deep liquidity, diverse and comprehensive products and services, strong emphasis on investor protection, and effective and transparent regulations aligned with international standards that can meet various needs of investors and enterprises. Hong Kong is a major global listing platform and one of the world’s leading biotech fundraising hubs. Hong Kong is also the second largest global banking hub in Asia and has the second highest insurance density in the world. Seventy three of the world’s top 100 banks and 11 of the world’s top 20 insurers operate in Hong Kong. In terms of arranging international bonds issued by Asian entities, Hong Kong has ranked first in the world for seven consecutive years, accounting for about one-third of the market in 2022. As for asset and wealth management, the industry in Hong Kong managed close to US\$4 trillion of assets as of end-2022. We are the largest hedge fund centre and the second largest private equity fund centre in Asia. In addition, Hong Kong has the largest offshore Renminbi (RMB) pool, handling about 75per cent of the global RMB settlements.

The Government will continue to expand the financial market and promote diversified development of related industries, strengthen the competitiveness of the stock market, deepen mutual access with the Mainland financial markets, promote financial co-operation in the GBA, support the asset and wealth management business, and facilitate the development of green finance and financial technology (fintech).

Tourism

Cross-boundary travel started to resume in February 2023. With the

concerted efforts of the Government and the travel trade, visitor arrivals reached 34 million last year, far exceeding 25.8 million estimated in early 2023. The Government has been promoting the long-term and sustainable development of Hong Kong's tourism industry. The high-level Tourism Strategy Committee was set up earlier to solicit views of the relevant sectors and steer the speedy, high-quality and sustainable development of Hong Kong's tourism industry. To step up promoting the development of mega event economy, the Government will attract more world-class mega events to be staged in Hong Kong, and enhance promotion to raise public awareness of these events. It will also actively promote thematic travel to provide tourists with travel experiences that are richer in content, more in-depth and higher in quality.

The Government attaches great importance to the development of the tourism industry. In accordance with the four long-term development strategies under the Development Blueprint for Hong Kong's Tourism Industry (the Blueprint), namely develop a diversified portfolio of visitor source markets for Hong Kong, with a focus on attracting high value-added overnight visitors; nurture and develop tourism products and initiatives with local and international characteristics, including cultural tourism, heritage tourism, green tourism, and creative tourism; and to consolidate and enhance Hong Kong's status as a travel destination for meetings, incentive travels, conventions and exhibitions tourism, regional cruise hub, and events capital of Asia; develop smart tourism; as well as upgrade the service quality of the tourism industry, the Government will review and update the relevant initiatives and policies, and will formulate the Blueprint 2.0 to strengthen the positions of Hong Kong as an international tourism hub and develop the city into a world-class premier tourism destination.

Trade and logistics

Hong Kong enjoys the advantage of being a highly internationalised business centre and plays an important role in international trade. In 2022, Hong Kong's total merchandise trade value reached HK\$9,459.1 billion, which was the 10th highest in the world. The National 14th Five-Year Plan continues to support Hong Kong to enhance its status as an international trade centre, seamlessly integrate into the overall development of our nation, and foster complementary and synergistic development with the Mainland. The National 14th Five-Year Plan also supports Hong Kong's participation in and contribution to the nation's comprehensive opening up and development of a modern economic system, the establishment of a functional platform for the joint development of the B&R Initiative, and co-operation and exchanges with countries and regions around the world.

The Government will continue to proactively develop a more stable, open, inclusive, and mutually beneficial international economic and trade environment based on multilateral trade standards, strengthen our role under international circulation as a connecting platform between our nation and the rest of the world and as a key link of the B&R, in particular, in connecting the GBA and the Association of Southeast Asian Nations, promoting the economic and trade flows of the Mainland and other economies in the region, and contributing to the further opening up and internationalisation of the

nation's trade activities.

With a comprehensive air, land and sea transport network, Hong Kong has become an international aviation hub, an international shipping centre and an international logistics centre. To strengthen its position as an international air cargo hub, the Airport Authority Hong Kong is working with Dongguan to promote the "sea-air intermodal cargo transshipment" mode, and reached an agreement with the United Parcel Service of America in the second half of 2023 to develop a new hub facility at Hong Kong International Airport.

On the maritime and logistics front, the Government promulgated the Action Plan on Modern Logistics Development and the Action Plan on Maritime and Port Development Strategy last year, with strategies and action measures formulated to support the development of the maritime and logistics industries. In particular, the Government launched the Professional Training on Smart and Green Logistics Scheme and the Logistics Promotion Funding Scheme in January this year to enhance manpower development and promotion of the logistics industry, and enhanced the Pilot Subsidy Scheme for Third-party Logistics Service Providers in February this year to assist the industry in grasping the business opportunities arising from the smart logistics and e-commerce. We will also dispose of a total of four parcels of logistics land regularly from this year to meet the industry's demand for logistics land. The Government will continue to take forward the implementation of the two Action Plans in an orderly manner, with a view to consolidating Hong Kong's status as an international maritime centre and an international logistics hub.

Professional services

As for professional services, the Government set up the \$200 million Professional Services Advancement Support Scheme (PASS) in 2016 to provide funding support for Hong Kong's professional services sectors to carry out exchange, promotion and professional standard enhancement projects with their counterparts in external markets (including the Mainland), to promote related publicity activities for Hong Kong's professional services, and to enhance their standards and external competitiveness. So far, over 100 projects with a total PASS grant of \$71 million have been funded.

Furthermore, to encourage Hong Kong's professional services sectors to step up promotion of Hong Kong's competitive edges and professional services to the external markets after the pandemic stabilised, the Government set aside \$50 million under PASS to set up the Professionals Participation Subsidy Programme (PSP) to subsidise the participation of Hong Kong's major professional bodies in relevant activities organised by the Government and the Hong Kong Trade Development Council. So far, a total of nine activities, covering the United Kingdom, the United States, Southeast Asia and various Mainland cities, have been approved under PSP, benefitting over 200 local professionals and around \$2 million has been committed for the above activities.

Promoting the development of innovation and technology

Promoting the development of innovation and technology (I&T) is the direction for Hong Kong's future development. In recent years, the Government has devoted substantial resources to various areas such as artificial intelligence and big data, biotechnology, medical sciences, advanced manufacturing and new materials as well as fintech. We will continue to adopt an industry-oriented approach to expedite the development of sectors enjoying advantages and build a more vibrant I&T ecosystem in Hong Kong, with a view to charting Hong Kong in moving towards the vision of being an international I&T centre.

The Government is actively planning for and developing new land and facilities to provide room for the development of the I&T industry. The Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Loop brings together I&T talent and expertise of the two places. These, together with advanced infrastructure and top-notch research facilities, will create limitless business opportunities for enterprises and hence foster the economic development. The first three buildings in batch one under the first phase of the HSITP will be completed in phases from the end of 2024. The HSITP Limited is actively taking forward business promotion work, with a view to attracting outstanding I&T enterprises to set foot in the park. Construction of the remaining five buildings of batch one will commence as soon as possible.

Together with the HSITP in the Loop, San Tin Technopole will provide about 300 hectares I&T land capable of generating 7 million square metres of gross floor area, which in terms of size, is equivalent to 17 Hong Kong Science Parks. It will become a hub for clustered I&T development, contributing to the development of the South-North dual engine (finance – I&T) for Hong Kong. The outlook of I&T development is promising.

Trawling for enterprises and talent

The promotion of industry development requires enterprises and talent. The Government, while consolidating Hong Kong's strengths, has been actively employing strategies to compete for enterprises and talent, with a view to attracting strategic enterprises as well as talent and capital from across the globe. The Office for Attracting Strategic Enterprises has, since its establishment in 2022, engaged more than 200 strategic enterprises, and around 30 strategic companies from the Mainland and overseas have landed or expanded in Hong Kong, or are about to do so. It is anticipated that they will invest over \$30 billion and create more than 10 000 jobs, thereby bringing real economic and social benefits to Hong Kong.

On the other hand, Invest Hong Kong assisted 382 Mainland and overseas companies in setting up or expanding their business in Hong Kong in 2023, an increase of 27 per cent over the year before (300 companies). Most of the companies are from the Mainland, United Kingdom, US and Singapore and in such industries as finance, fintech, I&T and professional services. This demonstrates Hong Kong's attractiveness to enterprises as an international

business centre.

On talents, the Government has introduced a series of measures to proactively attract global talents since end-2022, including launching the Top Talent Pass Scheme to trawl for talents with high income and graduates from top universities. These measures have received positive responses since implementation. As at end-January 2024, more than 240 000 applications were received under various talent admission schemes, and the total number of applications received last year is a nearly fourfold increase as compared to 2022. These figures are testament to Hong Kong's attractiveness to talents across the globe. The Government will continue to make proactive efforts to attract talents from around the world, with a view to contributing to the long term development of Hong Kong.

(3) Under Article 22(4) of the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China, "for entry into the Hong Kong Special Administrative Region, people from other parts of China must apply for approval". Mainland residents who wish to visit Hong Kong for whatever reasons are required to obtain a permit with an endorsement from the relevant Public Security Bureau Office. The Government has been maintaining communication with the Central Government with regard to various entry policies.

On tourism, the Individual Visit Scheme (IVS) has been implemented since July 2003 in accordance with the main document of the Mainland and Hong Kong Closer Economic Partnership Arrangement. Residents from a total of 49 designated Mainland cities can apply for IVS endorsements to visit Hong Kong in their individual capacity.

Mainland residents who wish to make business trips to Hong Kong are required to obtain an endorsement for business visit from the relevant Public Security Bureau Office. Endorsement for business visit is good for either a single journey or multiple journeys to Hong Kong within its validity from three months up to one year.

The Government has been closely monitoring the implementation of various measures, conducting timely reviews of their effectiveness and making necessary adjustments as appropriate. For instance, the Government has been paying attention to and assessing Hong Kong's capacity to receive visitors, including areas such as the handling capacity of boundary control points, capacity of tourism facilities, receiving capacity of hotels, carrying capacity of the public transport network, impact on the livelihood of the community and economic impact.

Hong Kong's capacity to receive tourists has been enhanced following the completion and optimisation of various large-scale cross-boundary infrastructure, tourist facilities, hotels and public transportation networks in the past few years. The Government is confident in providing more tourists from different source markets with quality travel experiences. Besides, since the Travel Industry Authority, the regulatory body of the travel industry, came into operation in September 2022, through its licensing and regulation

mechanism and constant monitoring of the operation and management of tour groups, the impact of tourists' activities on residents' daily life has been mitigated.

The Government will continue to maintain communication with relevant Mainland authorities to enhance the IVS in an orderly manner, with a view to providing Mainland visitors with more convenient and flexible means to visit Hong Kong and enriching their travel experience, thereby facilitating the vibrant development of tourism-related industries. On February 23, 2024, the Government announced the Central Government's positive response to the proposal of further expanding the eligible cities of the IVS to Xi'an in Shaanxi Province and Qingdao in Shandong Province starting from March 6, 2024.