

Budget Speech by the Financial Secretary (7)

International Maritime Centre

162. Currently, around 90 per cent of the world's merchandise goods are transported by sea. With its advantageous geographical location, unique institutional strengths and extensive experience and network in international trade and commerce, Hong Kong enjoys a prime position in the shipping market. Supported by the National 14th Five-Year Plan and the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area, the Government promulgated the Action Plan on Maritime and Port Development Strategy (Action Plan) in December last year. The Action Plan formulates 10 strategies and 32 action measures to support the sustainable development of Hong Kong's maritime and port industry, with a view to enhancing the long-term competitiveness of the industry. It also consolidates and strengthens Hong Kong's position as an international maritime centre.

Develop High Value-Added Maritime Services

163. One of the directions set out in the Action Plan is to develop high value-added maritime services. Over the past few years, the Government has introduced a series of tax concession measures for the maritime industry in the areas of ship leasing, marine insurance, ship agency, ship management, shipbroking and so forth, which have begun to yield results. We will commence studies on further enhancements within this year.

164. In addition, Hong Kong's ship registration regime is widely recognised internationally. Hong Kong ranks fourth in the world in terms of gross tonnage, and excels in its high quality fleet. The port state control detention rate of Hong Kong registered ships is much lower than the global average. We plan to offer block registration incentive to attract shipowners to register ships in Hong Kong extensively. The Government will amend the relevant regulations regarding this incentive starting this year, and provide an outline of the incentive rules, eligibility criteria and so forth.

Modern Logistics Development

165. The Government seeks to assist the logistics industry in better capitalising on the latest developments and business opportunities in smart logistics and e-commerce. To encourage the logistics industry to enhance productivity through technology application, the Government launched a \$300 million Pilot Subsidy Scheme for Third-party Logistics Service Providers in 2020 to provide subsidies to eligible logistics service providers. So far, the scheme has benefited over 190 enterprises, involving a total of about \$137 million. The scheme was enhanced in February this year, with the funding ceiling for each applicant enterprise increased from \$1 million to \$2 million and the scope of funding extended to cover services related to the application of ESG technology solutions.

International Aviation Hub

166. Hong Kong International Airport (HKIA) has about 120 airlines operating flights to some 180 destinations worldwide. With Hong Kong's role as an international aviation hub and tapping into the convenience and opportunities brought about by the Hong Kong-Zhuhai-Macao Bridge, our vision is to transform HKIA into an Airport City integrating commerce, conventions and exhibitions, tourism, lifestyle, logistics and more, shaping it into a world-class landmark.

Open up a New Aviation Hinterland

167. The AA is working full steam ahead with the HKIA three-runway system (3RS) project as scheduled, with the target of commissioning at the end of this year. Leveraging the opportunities brought by the 3RS and our country's support of the "Air Silk Road", we will focus on current major routes and routes along the B&R with potential, thus strengthening aviation services between Hong Kong and related countries and, in doing so, expand our aviation network.

Intermodal Transport

168. The AA will make comprehensive use of HKIA's advantages in handling high-value, temperature-controlled air cargo. We are taking forward the development of a sea-air intermodal cargo-transshipment mode in collaboration with Dongguan. Its handling capacity will gradually reach one million tonnes per annum, better fulfilling the GBA's international cargo demand, with first-phase construction of the permanent facility of the HKIA Logistics Park, which is scheduled for completion by the end of next year.

Asia's Aviation Logistics Base

169. The AA will actively expand air cargo services, including handling cold-chain cargo at its logistics park in Dongguan and collaborating with Zhuhai to develop its international cargo business. It will also attract international cargo forwarders and major global retailers to set up their Asian aviation logistics base in Hong Kong.

Centre for International Legal and Dispute Resolution Services in the Asia-Pacific Region

170. As the only common law jurisdiction in China, Hong Kong enjoys a robust legal system and a pool of elite legal talent, which are cornerstones of Hong Kong's premier business environment and provide us with new opportunities for development.

171. With the staunch support from the Central Government, the International Organization for Mediation (IOMed), upon establishment, will have its headquarters hosted in Hong Kong. IOMed, specialising in resolving international disputes by means of mediation, will be the first international inter-governmental organisation to set up headquarters in Hong Kong. This will attract dispute parties, mediators and legal professionals to conduct mediation in Hong Kong, which will in turn boost other related economic

activities.

172. Furthermore, the Department of Justice (DoJ) will continue to promote Hong Kong's legal and dispute resolution services by organising international conferences and exchange activities, as well as leading delegations of legal professionals to visit the Mainland, the Middle East, ASEAN member states, etc.

East-meets-West Centre for International Cultural Exchange

173. Hong Kong is a diverse and open community. It is a melting pot of Chinese and Western cultures, where modernity blends with tradition. The Government is committed to developing high-quality arts, cultural and creative industries through continuously developing relevant sectors, promoting Chinese culture and fostering arts and cultural exchanges between China and the rest of the world. The Government will soon promulgate the Blueprint for Arts and Culture and Creative Industries Development, to outline the vision and specific initiatives for the work.

Creative Arts Branding

174. The Government will inject about \$1.4 billion and \$2.9 billion into the Film Development Fund and the CreateSmart Initiative respectively in 2024/25, to support projects in various areas such as film, arts and design. Among them, the Government will organise the Hong Kong Fashion Design Week annually from 2024 onwards. It is our vision to turn the Hong Kong Fashion Design Week into an Asian fashion design mega event, thereby introducing Hong Kong's fashion design brands internationally.

Signature Performing Arts Programmes

175. The Government has announced the launch of the Signature Performing Arts Programme Scheme. The scheme will support production of representative and large-scale local signature performing arts programmes to be staged as long-running performances and become another cultural icon of Hong Kong. Culture, Sports and Tourism Bureau will devise the key arrangements of the Signature Performing Arts Programme Scheme in the first half of 2024.

Large-scale Arts Events

176. We will organise the first Hong Kong Performing Arts Expo (HKPAX) in October this year to provide a comprehensive platform for showcasing top-notch performing arts productions and enhancing exchanges to create business opportunities for these programmes and creative talents. We will also organise the 4th Guangdong-Hong Kong-Macao Greater Bay Area Culture and Arts Festival. With more than 100 arts and cultural activities taking place in Hong Kong and different cities of the GBA, the festival is expected to feature about 5 000 artists and draw a total of 140 000 visitors.

(To be continued.)

LCQ18: Schools affected by redevelopment of housing estates in which they are located

Following is a question by the Hon Chu Kwok-keung and a written reply by the Secretary for Education, Dr Choi Yuk-lin, in the Legislative Council today (February 28):

Question:

In December 2023, the Hong Kong Housing Authority announced the initiation of a feasibility study for the redevelopment of Choi Hung Estate. It has been learnt that two secondary schools and one primary school within the Estate, which are currently over 60 years old, will be affected by the redevelopment project. Following the precedent of the redevelopment of Pak Tin Estate, the Education Bureau will not directly allocate school premises to the affected schools for reprovisioning use in the light of estate redevelopment, but will require these schools to participate in the allocation of school premises on a competitive basis among school sponsoring bodies. In this connection, will the Government inform this Council:

(1) as the authorities indicated at the June 2022 meeting of the Panel on Education of this Council their intention to submit to the Public Works Subcommittee of this Council a project proposal at an estimated cost of approximately \$429.8 million for the construction of a new school premises at an alternative site within the Choi Hung Estate for The Church of Christ in China Kei Wa Primary School (KWPS) in the Estate, whether the project and the decision to allocate the new school premises to KWPS will be changed with the initiation of the feasibility study for the redevelopment of Choi Hung Estate; if so, of the details;

(2) whether the authorities have plans to reprovision the aforesaid three schools affected by the redevelopment of Choi Hung Estate through direct allocation of school premises; if so, of the details; if not, the reasons for that; and

(3) whether the authorities will consider reviewing the existing school allocation mechanism so that priority allocation of school premises for reprovisioning will be arranged for schools affected by the redevelopment of housing estates in which they are located?

Reply:

President,

The Hong Kong Housing Authority (HA) announced on December 21, 2023 that

a redevelopment study for Choi Hung Estate would be initiated to further explore the potential of making good use of its build-back potential, and an implementation plan would be worked out for the purpose. The HA will maintain communication with the bureaux/departments concerned, including the Education Bureau (EDB), on various arrangements. Upon completion of the study, the HA will announce the relevant arrangements accordingly. The entire redevelopment project is expected to take at least 15 years to complete.

Our reply to the question raised by the Hon Chu Kwok-keung is as follows:

At present, there are one public sector primary school and two public sector secondary schools within the Choi Hung Estate. Regarding the primary school, the Government announced in 2020 that The Church of Christ in China Kei Wa Primary School (Kei Wa) located in the estate would be reprovisioned to a reserved school site therein. The proposal was supported by the Legislative Council Panel on Education (the Panel) in 2022. As recommended by the Panel, the EDB also maintained communication with the relevant departments to confirm whether there would be any redevelopment plans for the estate before implementing the project. In the light of the HA's study, and taking into account the principle of vicinity generally adopted in primary school admission, the EDB is reviewing the reprovisioning plan for Kei Wa.

As for the secondary schools, the EDB is closely monitoring the supply of and demand for secondary school places in the district and Hong Kong as a whole, and maintaining communication with school sponsoring bodies (SSBs) and schools to explore the most appropriate arrangements. The Government generally does not, owing to the redevelopment of public housing estates (PHEs), reprovision schools through direct allocation of school premises. Should there be School Allocation Exercises (SAEs) in future, interested schools (including those seeking reprovisioning due to redevelopment of PHEs) are required to apply through an open and fair SAE and compete with all eligible SSBs in Hong Kong. When assessing the applications, the Government would pay heed to the views of the School Allocation Committee with a view to selecting the best and most suitable SSB, with quality of education as its prime consideration. Other factors to be taken into account include the school proposals submitted by the SSBs, the operation record of the SSBs and the physical condition of the existing school premises, etc.

With changing population structure in Hong Kong, we encourage and support SSBs to make long-term planning and actively respond to community needs for different services in the interest of the society at large and with regard to the circumstances of the district and the schools. The EDB would continue to meet with relevant SSBs to explore feasible options having regard to the actual circumstances.

Budget Speech by the Financial Secretary (6)

International Financial Centre

129. A highly efficient financial market accelerates the development of the real economy by effectively matching capital with the needs of industry. The financial industry is one of the pillars of Hong Kong's economy. Hong Kong as an international financial centre is also our country's international financial centre, having an edge in "quantity" and "quality" that enables various financial areas to thrive.

Offshore Renminbi Business Hub

130. Our country is the world's second-largest economy. The proportion of RMB as a global currency for international trade, investment and financing, cross-border payment and reserves is increasing continuously, as the Mainland develops closer economic ties with other regions. Market demand for RMB is becoming keener than ever.

131. As the world's largest offshore RMB business hub, Hong Kong processes about 75 per cent of global offshore RMB settlement. We also have the world's largest offshore RMB liquidity pool, at over RMB 1 trillion. To capitalise on this enormous opportunity, we will press ahead with the development of an offshore RMB ecosystem to promote the internationalisation of the RMB in a steady and prudent manner.

132. We are taking forward relevant work on various fronts. It includes making continuous efforts to deepen mutual-market access schemes that facilitate RMB cross-boundary investment and two-way fund flows to enhance offshore RMB liquidity. It also includes encouraging financial institutions to provide more offshore RMB products and risk-management tools, and carrying out RMB financing in Hong Kong. We will also develop the Central Money Markets Unit (CMU) into Asia's major international central securities depository platform. It will provide better support for RMB businesses such as cross-border clearing, settlement and custodian services etc.

Mutual Market Access

133. Mutual-market access between financial markets in the Mainland and Hong Kong has been expanding in scope and capacity. Bond Connect, the Cross-boundary Wealth Management Connect Scheme, ETFs in Stock Connect and Swap Connect are among the many opportunities that have been implemented, one after another, in recent years. The initiatives provide more asset allocation and risk-management options for Mainland and international investors.

134. This year, HKEX will host the 10th Anniversary of Mutual Access Forum to share our experience with the industry and explore how best to inject new impetus into the regime. We will stage a series of roadshows in the Mainland

to promote mutual market access further.

135. We are now in discussion with Mainland authorities over the introduction of block trading, the inclusion of RMB counters under the Southbound Trading of Stock Connect, and the expansion of the mutual-market access regime to cover REITs, bringing in more enterprises and capital to the Hong Kong market.

Asset and Wealth Management Centre

136. Hong Kong is an international asset and wealth management centre, with assets under management amounting to more than HK\$30 trillion. It is also Asia's largest hedge-fund centre and the second-largest centre for private equity management after the Mainland. Currently, there are more than 250 open-ended fund companies and 780 limited partnership funds registered in Hong Kong.

137. To drive market development, the Government will extend the Grant Scheme for Open-ended Fund Companies and Real Estate Investment Trusts for three years, and set up a task force to discuss with the industry measures for further developing the asset and wealth management industry.

138. Attracting global family offices and asset owners to Hong Kong will help bring in more capital and drive ancillary economic activities. We have implemented a number of measures, including providing tax concessions for qualifying transactions of family-owned investment holding vehicles managed by single family offices in Hong Kong, and streamlining the suitability assessment when dealing with sophisticated professional investors.

139. The new Capital Investment Entrant Scheme (new CIES) will soon invite applications. Eligible investors who invest HK\$27 million or more in qualifying assets and place HK\$3 million into a new CIES Investment Portfolio may apply to reside in and pursue development in Hong Kong. The new CIES will help strengthen our advantages in developing the asset and wealth management industry and related professional service sectors in Hong Kong, while supporting the I&T sector's development.

140. We are setting the stage for the second Wealth for Good in Hong Kong Summit in end-March in a bid to showcase Hong Kong's unique advantages to global family offices and asset owners. In addition, we will further enhance the preferential tax regimes for related funds, single family offices and carried interest, including reviewing the scope of the tax concession regimes, increasing the types of qualifying transactions and enhancing flexibility in handling incidental transactions, all to attract more funds and family offices with potential to establish a presence in Hong Kong.

Securities Market

141. We are keen to foster the development of the securities market into one with greater depth, breadth and vibrancy, thereby consolidating and enhancing market competitiveness. I have explained this in detail in paragraphs 45 to 48.

Bond Market

142. As a long-standing leader in bond issuance in Asia, Hong Kong has ranked first in the region for seven consecutive years in terms of the volume of international bond issuance. In the last Budget, I proposed to expand the scope of the Government Green Bond Programme to cover sustainable finance projects and take forward the Infrastructure Bond Scheme to raise capital for infrastructure projects, thereby facilitating the early completion of projects for the good of the economy and people's livelihood. We will set a borrowing ceiling of a total of \$500 billion for these two programmes to allow more flexibility in quota re-allocation. The sums borrowed will be credited to the Capital Works Reserve Fund for investment in projects which are conducive to long-term development. These two programmes will gradually replace the existing Government Bond Programme.

143. In 2024-25, we will issue \$120 billion worth of bond, of which \$70 billion will be retail tranche that includes \$50 billion worth of Silver Bond, and \$20 billion worth of green bonds and infrastructure bonds to achieve financial inclusiveness and enhance a "sense of participation" in infrastructure and sustainable development among the public.

Deepen Financial Co-operation in the GBA

144. The Cross-boundary Wealth Management Connect (WMC) Scheme in the GBA has seen continuous and steady development. "WMC 2.0" was officially launched earlier this week, introducing such enhancement measures as increasing the individual investor quota to RMB 3 million and lowering the threshold for participating in the Southbound Scheme.

145. To help enterprises secure financing in the GBA more easily, the HKMA and Mainland regulatory authorities will continue to build a collaborative framework on cross-boundary credit referencing. Through such collaboration, the banks of both places, upon consent from corporate customers, will be allowed to access the credit data of relevant corporations, so that credit assessment can be conducted in a more secure and efficient manner.

Specialty Insurance Market

146. As an international risk-management centre, Hong Kong provides diversified risk-management channels, including professional insurance services. We have been making dedicated efforts to invite Mainland and overseas enterprises to establish captive insurers in Hong Kong, enhancing their corporate risk-management capabilities. We are also promoting the development of insurance-linked securities (ILS) by establishing a dedicated regulatory regime and launching a pilot grant scheme. To date, we have facilitated the issuance of four catastrophe bonds in Hong Kong, one of which marked the inaugural listing of its type of ILS. We will continue to attract more issuing institutes to Hong Kong, while nurturing talent and propelling the industry's development.

Create Strong Impetus for Growth in the Financial Services Industry

147. To bolster the competitiveness and advantages of the financial services industry in Hong Kong, the Government will earmark \$100 million to promote the sustainable development of financial services. This includes green and sustainable finance, fintech, asset and wealth management, headquarters business, and risk management etc.

International Trade Centre

148. The international trade landscape is in a constant state of flux. In recent times, Hong Kong's total exports have seen their share of the Europe and US markets decline, while our exports to developing countries such as those in ASEAN and the Middle East is on the rise. At the same time, Mainland manufacturing enterprises are increasingly using production capabilities both at home and abroad as multinational supply chains for manufacturing products to be exported to overseas markets. Hong Kong is equipped to seize the opportunities arising from these changes.

Multinational Supply Chain Management

149. In line with the trend of Mainland manufacturing enterprises extending their production supply chains abroad, our goal is to develop Hong Kong into a multinational supply chain management centre. As a premier financial and commercial centre in the region, Hong Kong has the capacity to offer full-fledged and comprehensive professional support services to enterprises to meet their overseas business needs. These services are of utmost importance to enterprises seeking to go global, particularly those with less overseas experience.

150. Consulting services: The Hong Kong Trade Development Council (HKTDC) has been providing various services through different schemes covering business operations, production and supply chain solutions, market information and other consulting services. All this helps to support Mainland enterprises based in Hong Kong to establish a foothold in the Belt and Road (B&R) Initiative countries.

151. Trade financing: Mainland enterprises with operations in Hong Kong can also utilise various services provided by the Hong Kong Export Credit Insurance Corporation, including export credit insurance, surveys on buyers, and sharing of market updates to meet their business operation needs. The Commercial Data Interchange launched earlier by the HKMA and its Project mBridge allow enterprises to apply trade financing and cross-border settlement services at a lower cost and with higher efficiency.

152. Corporate training: Hong Kong's business sector possesses rich knowledge and profound experience in managing multinational supply chains as well as handling compliance, labour protection, environmental protection and other requirements of overseas markets. We will facilitate collaboration between different organisations and industry stakeholders to provide environmental, social and corporate governance (ESG) training etc. to Mainland enterprises seeking to expand their reach to overseas markets. This will help them build goodwill with business partners and expand their markets.

153. In order to enhance our work on this front, Commerce and Economic Development Bureau, in coordination with "Team Hong Kong" organisations, will work together to study relevant details, including the establishment of a trade single window to provide one-stop services for enterprises. Invest Hong Kong will also step up efforts to attract Mainland manufacturing enterprises to set up offices in Hong Kong, to serve as headquarters for managing their offshore trading.

Explore Markets

154. The Government has been expanding Hong Kong's economic and trade network overseas, to help the business sector explore emerging markets.

155. To strengthen our economic and trade relations with the Middle East, the Government is conducting negotiations with Saudi Arabia on an Investment Promotion and Protection Agreement (IPPA) and considering establishing an Economic and Trade Office (ETO) in Riyadh, Saudi Arabia. Two consultant offices will also be set up in Turkey and Egypt this year to bring in foreign capital and enterprises. Meanwhile, Hong Kong has concluded the IPPA negotiations with Bahrain and will soon sign a Comprehensive Double Taxation Agreement with it.

156. ASEAN is another priority strategic partner with whom we seek to enhance our engagement. The Government is considering establishing an ETO in Kuala Lumpur, Malaysia. As for other markets, we are negotiating a Free Trade Agreement with Peru and an IPPA with Bangladesh. Furthermore, the HKTDC will set up two consultant offices along the B&R to enhance trade promotion in emerging countries.

Belt and Road

157. The B&R Initiative promulgated by our country has entered its second golden decade. Hong Kong will continue to give full play to its role as a functional platform for the B&R. To this end, we will actively participate in and contribute to fostering high-quality development, especially in green development as well as innovation and technology.

158. Apart from continuing to host the annual Belt and Road Summit in September, a new Belt and Road Festival will be launched. The festival will promote collaboration with B&R countries in a wide range of areas including trade and investment, technology, arts and culture and talent exchange. Hong Kong will also host the Conference of Belt and Road Initiative Tax Administration Cooperation Forum, which will be attended by representatives of the governments, international organisations, academic institutions and strategic enterprises of B&R regions. It will provide a platform for attendees to establish connections and exchange ideas, thereby promoting tax administration co-operation and capacity building. Besides, more outbound missions will be organised, including visits to the Mainland for enterprises of B&R countries which are operating in Hong Kong to explore business opportunities.

Regional Intellectual Property Trading Centre

159. The effective protection and efficient transaction of IP is important to promote industries such as R&D, cultural and creative industries, design services, and brand licensing industries in Hong Kong. In fact, for the past three years, the Intellectual Property Department (IPD) granted an average of more than 10 000 standard patent registrations each year, which is a clear indication of the enormous potential of the IP trading market in Hong Kong.

160. The Government will introduce into the Legislative Council (LegCo) in the first half of 2024 a proposal to amend the Inland Revenue Ordinance with a view to implementing the "patent box" tax incentive, which will reduce substantially the tax rate for profits derived from qualifying IP to five per cent. This incentive aims to encourage enterprises to devote more resources to R&D and conduct commercialisation transactions making use of patents and other IP protections.

Participate in Dedicated Programme of World Intellectual Property Organisation (WIPO)

161. We are planning for the establishment of a WIPO Technology and Innovation Support Centre (TISC) in Hong Kong to enable our integration into the country's TISC network. The TISC will focus on providing specialised services such as patent search and analysis for the protection of scientific research results and enhanced support to the I&T sector, while promoting IP trading at the same time. The TISC also helps nurture local I&T talent well versed in patent knowledge. In this regard, I have set aside \$45 million to support the Hong Kong Productivity Council in establishing and operating the TISC. It is anticipated that the TISC will commence operation by 2025 the earliest.

(To be continued.)

[LCQ16: Improving traffic light control system](#)

Following is a question by Professor the Hon Lau Chi-pang and a written reply by the Secretary for Transport and Logistics, Mr Lam Sai-hung, in the Legislative Council today (February 28):

Question:

There are views that Hong Kong's conventional traffic light control system and its ancillary facilities are lagging behind, and fail to allocate green signal time flexibly according to actual pedestrian and vehicular flows, causing unnecessary delays to road users. In this connection, will the Government inform this Council:

(1) as the Transport Department (TD) proposed in July last year to install at about 50 road junctions a real-time adaptive traffic signal system (RTATSS), which would, through the use of artificial intelligence, analyze images and data of real-time vehicular and pedestrian flows collected by sensors to allocate signal time at road junctions, whether TD will consider implementing RTATSS across the territory; if so, of the specific plan and timetable; if not, the reasons for that;

(2) as it has been reported that the Government commenced a trial of a new type of "pedestrian traffic light countdown device" in Tung Chung in December last year, but there are views that such type of traffic light timers have not been made available to drivers after a prolonged period of time, whether the Government will consider introducing on a full scale traffic lights with countdown devices for drivers; if so, of the specific plan and timetable; if not, the reasons for that and the relevant considerations;

(3) as it has been reported that about 12 000 pedestrian crossings in Hong Kong have been installed with units of the Electronic Audible Traffic Signals system, commonly known as "yellow boxes", but members of the public generally do not understand their functions and the ways of using them, or they ignore such units, resulting in their effectiveness being minimal, whether the Government will plan to step up efforts in publicizing the yellow boxes to members of the public, for example, by displaying signs or instructions for use near traffic lights; if so, of the specific plan; if not, the reasons for that; and

(4) as it is learnt that in the past, a number of District Councils (DCs) put forward to the Government their views on the traffic light waiting time in their districts with specific data, of the Government's specific plan to work with various DCs, so as to improve the traffic light waiting time in various districts?

Reply:

President,

Having consulted the Transport Department (TD) in respect of traffic signal control system, my reply to various parts of the question raised by Professor the Hon Lau Chi-pang is as follows:

(1) The TD completed the real-time adaptive traffic signal system (RTATSS) pilot project at five selected independent signalised junctions in 2021. Taking into account the experience gained, the Government has consulted the Legislative Council (LegCo) Panel on Transport in July 2023 and plans to seek funding approval from the LegCo Finance Committee this year for installing sensors and ancillary equipment for implementing the RTATSS at about 50 suitable independent signalised junctions, with a view to promoting smart traffic management.

Furthermore, the TD began the installation and further trial of the RTATSS at eight linked signalised junctions at Tung Chung Town Centre in 2022, which is expected to complete in mid-2024. The TD will consider further

extending the RTATSS to other suitable linked signalised junctions in due course. When developing new development areas, the TD will also liaise with relevant government departments to implement the RTATSS at suitable signalised junctions.

(2) The TD has installed a new type of pedestrian traffic light countdown device at the signalised junction of Tat Tung Road/Mei Tung Street in Tung Chung, with the countdown starting to display when the "Green man" light is on, such that pedestrians can gauge the total green time remained and cross the junction. The new type of pedestrian traffic light countdown device has started operating and testing since mid-December 2023. The TD has engaged a local university to conduct survey and study on the impact of the device on pedestrian crossing behavior. The trial is targeted for completion in mid-2024.

As for the "vehicular traffic light countdown device" for motorists, there is still no general consensus worldwide on its benefits. We note that motorists' responses to the remaining green time displayed on the device could be very different. Some drivers might decide to slow down and stop when noticing the green time is coming to an end whilst some might choose to rush through the junction, thus increasing the risk of head-rear collision. In view of road safety, the "vehicular traffic light countdown device" is not implemented in Hong Kong. The TD will continue to closely monitor the development and effectiveness of the relevant device.

(3) The TD currently installs a device commonly called "yellow box" at pedestrian crossings. The device is a component of the electronic pedestrian crossing device. There are two types of these vibrating units: the first type has a "palm" symbol and a "Please wait" display with a pedestrian crossing button function. When a pedestrian touches the pedestrian crossing button, a visual and audible acknowledgement signals will be displayed and emitted by the device respectively, and turn the pedestrian crossing signal to green as soon as possible. The second type, which has words and figure of "Aids for Visually Impaired Persons" printed on it, consists of a vibrating unit at the bottom. It helps the visually impaired persons cross the road by means of different vibrating patterns indicating pedestrian signals. This type of vibrating unit does not have a pedestrian crossing button but denotes the status of pedestrian traffic signals.

On publicity, the TD pastes a label (as shown in the photo at Annex) on the traffic signal poles installed with a pedestrian crossing button, reminding pedestrians to press the button to cross the road.

(4) Signal time plans are devised to co-ordinate vehicles and pedestrians from different directions to pass through the junctions safely and orderly. Signal time plans should balance the needs of vehicles and pedestrians from various directions, reducing unnecessary delays. Generally, signal time plans are devised with regard to characteristics of individual junctions as well as historical traffic and pedestrian flows during different periods (e.g. morning/evening peak and non-peak hours) and different days (e.g. weekdays and weekends). Moreover, through the area traffic control system, the TD monitors the traffic conditions and operation of traffic signals in various

regions in real-time, and makes adjustments as and when necessary in response to emergency situations.

The TD takes into account feedback from road users and stakeholders (including District Councils) for reviewing and adjusting the traffic signal time as appropriate. The TD will continue to keep close contact with the District Councils in this regard. Meanwhile, the TD will further enhance the efficiency of traffic signal control systems with new technologies, including the implementation of the RTATSS.

LCQ3: Easing shortage of parking spaces

Following is a question by the Hon Yung Hoi-yan and a written reply by the Secretary for Transport and Logistics, Mr Lam Sai-hung, in the Legislative Council today (February 28):

Question:

Many motorists have relayed that the shortage of parking spaces in various districts had caused them inconvenience when going out. In this connection, will the Government inform this Council:

(1) of (i) the ratio of private car (PC) and motorcycle parking spaces to the relevant licensed vehicles, (ii) the number of PC and motorcycle parking spaces available in public car parks in each of the 18 districts across the territory as well as their usage, (iii) the number of on-street PC parking spaces with parking meters in each of the 18 districts across the territory as well as their usage, (iv) the number of on-street motorcycle parking spaces with parking meters in each of the 18 districts across the territory as well as their usage, (v) the number of prosecutions instituted against illegal parking in each of the 18 districts across the territory, and (vi) the ratio of parking spaces for village housing to standard New Territories Exempted Houses, in each of the past three years;

(2) given that according to the parking standards of the Planning Department, up to one car parking space can be provided for each standard New Territories Exempted House with a size not exceeding 65 square metres, yet some rural residents have relayed that the provision of parking spaces in rural residential areas has long been insufficient, and no additional parking spaces can be provided for some adjacent village houses as they do not meet the relevant parking standards, of the Government's plans to provide additional parking spaces in rural residential areas, and whether it will review and make timely adjustments to the relevant standards so as to meet the needs of the residents; if so, of the details; if not, the reasons for that;

(3) as it has been reported that the shortage of parking spaces has undermined motorists' desire to go out, adversely affecting the Government's promotion of the night-time economy, of the Government's plan to facilitate parking by members of the public, including whether consideration will be given to providing more temporary parking spaces in designated areas and during specified periods; if so, of the details; if not, the reasons for that; and

(4) as some members of the public have relayed that they had been prosecuted for occasionally stopping their vehicles outside the "Where not to stop" areas designated by the Transport Department or in the "No stopping" zones during non-restriction time, and such enforcement actions had left them at a loss, how the Government can ensure that law enforcement officers can pinpoint specifically the contravention of legal requirements by the relevant vehicles when instituting prosecutions against illegal parking, and whether it will consider leveraging technology to assist law enforcement, with a view to improving the accuracy of prosecutions; if so, of the details; if not, the reasons for that?

Reply:

President,

It is the Government's transport policy to centre on public transport with railway as the backbone. Hong Kong enjoys a well-developed public transport network, and the Government encourages the public to make good use of the public transport services as far as possible, so as to avoid aggravating the burden on road traffic resulting from excessive private cars (PCs) and motorcycles. Nevertheless, the Government understands that some members of the public choose to commute by PCs or motorcycles for various reasons. Hence, the Government has been actively pursuing a host of short-term and medium-to-long-term measures to suitably increase the supply of parking spaces where circumstances permit, which include but are not limited to the following measures:

(a) Utilising spaces underneath flyovers for designation of parking spaces;

(b) Opening up more parking spaces at government buildings for public use during non-office hours;

(c) Providing additional on-street parking spaces at suitable locations while ensuring that traffic flow, road safety and the loading/unloading activities of other road users would not be compromised;

(d) Providing more parking spaces for public use in suitable "Government, Institution or Community" facilities and public open space projects in accordance with the principle of "single site, multiple use". Subject to the results of technical feasibility assessments and the progress of seeking required approvals for the projects under planning, as well as the construction progress of the approved projects, it is expected that about 20 suitable development projects will be completed by batches to provide additional parking spaces starting from 2024-25;

(e) Taking forward automated parking system projects in newly-built government carparks and short-term tenancy carparks, so as to increase parking density and make parking more convenient for the public; and

(f) Revising the parking facilities standard for PCs in the Hong Kong Planning Standards and Guidelines (HKPSG) in 2021, which provides more parking spaces in private and subsidised housing development projects.

As regards the Member's question, in consultation with the Transport Department (TD), the Hong Kong Police Force (HKPF), the Lands Department (LandsD) and the Government Property Agency (GPA), a consolidated reply is as follows:

(1) For the period between 2021 and 2023, (i) the ratio of the number of parking spaces of PCs and motorcycles to the number of licensed PCs and motorcycles; and for the 18 districts, in respect of (ii) the number and utilisation of PC and motorcycle parking spaces in public carparks, (iii) the number and utilisation of metered parking spaces for PCs, and (iv) the number and utilisation of on-street motorcycle parking spaces, please refer to Annex I to IV respectively.

The HKPF handles statistics on fixed penalty notices (FPNs) issued against illegal parking and other traffic offences by Police Region. Therefore, the prosecution figures by 18 District Council districts is not available. From 2021 to 2023, the figures of FPNs issued against illegal parking by the HKPF by Police Region are tabulated in Annex V. For the ratio of parking spaces in village housing to the number of New Territories Exempted Houses, the LandsD does not maintain the relevant statistics.

(2) Under the prevailing HKPSG, each standard New Territories Exempted House (65 square metres) is allowed to provide up to one private car parking space, which in general should be in communal parking area within the village environs. Moreover, if any village wishes to provide additional parking facilities, it may lodge an application to the Town Planning Board for a planning permission under section 16 of the Town Planning Ordinance (Cap. 131) for the provision of a temporary car park on a rural site for villagers' use.

(3) Hong Kong has a well-developed public transport network. As the locations for activities associated with night-time economy are accessible by public transport, we encourage members of the public to make good use of the public transport services to travel to those locations as far as possible. For those who need to travel by car, they may consider using on-street parking spaces or car parks nearby, including car parks of government office buildings which are opened to the public during non-office hours (e.g. nighttime). Members of the public may also gain the latest information on special traffic arrangements and parking vacancy on the TD's website (www.td.gov.hk) or via the "HKeMobility" mobile application.

(4) Road safety is one of the HKPF's operational priorities, and changing the irresponsible behaviour of road users (such as obstruction to traffic or

illegal stopping at restricted zone which may cause inconvenience or even hazard to other road users) is also among the HKPF's Selected Traffic Enforcement Priorities. The HKPF aims to raise the law-abiding awareness of commuters and combat improper traffic obstruction behaviour through publicity, education and enforcement.

The HKPF has clear guidelines, training and supervision on the enforcement procedures of traffic offences to ensure that frontline officers comply with operational needs and statutory requirements when taking enforcement actions. The HKPF will also review and update the relevant procedures and guidelines from time to time to meet the actual needs.

The HKPF has been working closely with relevant departments, adopting new technological solutions for traffic enforcement to enhance the efficiency of frontline officer in combating illegal parking and obstruction-related moving offences. For instance, to raise the enforcement effectiveness and strengthen the deterrent effect, the HKPF has launched in phases the "e-Ticketing Scheme" across the territory since March 2020. Frontline enforcement officers are now able to access or input information of illegally parked vehicles via their mobile devices, take photos of non-compliance as evidence and instantly print out FPNs in order to reduce human errors in issuing handwritten FPNs. Besides, the HKPF has launched the first WeChat mini-programme for online reporting of traffic offences – "Project PROVE – Public Reporting Offences with Video Evidence", since April 2023. Members of the public can report non-emergency traffic related offences, including dangerous driving, careless driving, failing to comply with traffic signals, traffic signs and road markings, etc. by uploading relevant video clips to "Project PROVE". The HKPF will examine each report, and if prima facie evidence is established, it will follow up and investigate the case, or even take enforcement action.

The HKPF will continue to explore the use of more new technologies with relevant departments to enhance the effectiveness of enforcement against offences relating to illegal parking and traffic obstruction.