

LCQ17: Assisting small and medium enterprises in developing electronic commerce business in the Mainland

Following is a question by the Hon Martin Liao and a written reply by the Secretary for Commerce and Economic Development, Mr Algernon Yau, in the Legislative Council today (February 21):

Question:

The 2023 Policy Address has stated that the Government will establish the inter-departmental E-commerce Development Task Force to assist small and medium enterprises (SMEs) in developing electronic commerce (e-commerce) business in the Mainland, including the organisation of Hong Kong Shopping Festivals on e-commerce platforms. In this connection, will the Government inform this Council:

(1) as some Hong Kong SMEs have relayed that it is difficult to enter the Mainland e-commerce platforms, whether the authorities will strive to facilitate the commencement of exchanges and co-operation between e-commerce industry associations in the Mainland and Hong Kong enterprises and the E-Commerce Association of Hong Kong, as well as promote business negotiations and resource connections between the two parties; if so, of the details; if not, the reasons for that;

(2) as it is reported that the Government will organise Hong Kong Shopping Festivals on the Mainland e-commerce platforms, apart from products such as food, jewellery, fashion and accessories in which Hong Kong has traditional advantages, whether the Government will consider promoting emerging brands with innovative product offerings and of a smaller size, as well as organising dedicated events for them, in a bid to inject new content and vitality into Hong Kong brands; if so, of the details; if not, the reasons for that;

(3) as there are views pointing out that with the continued development of e-commerce in the Mainland, it is inevitable that product quality will vary and inferior products can hardly justify the premium pricing of e-commerce, and Hong Kong brands, with a long-standing good reputation for premier product quality, can provide Mainland consumers with better and higher quality alternatives, whether the Government will consider promoting the marks under various brand evaluation certification schemes of Hong Kong through the e-commerce platforms, with a view to enhancing the recognition of Hong Kong brands among Mainland consumers; if so, of the details; if not, the reasons for that; and

(4) as there are views pointing out that credit assessment is a major difficulty faced by cross-border e-commerce sellers in obtaining financing,

whether the authorities will consider broadening the spectrum of data available on the Commercial Data Interchange, and encouraging the development of big data-supported financial technology, so as to facilitate such sellers' access to credit assessment; if so, of the details; if not, the reasons for that?

Reply:

President,

It was announced in the 2023 Policy Address that the Commerce and Economic Development Bureau would establish the E-commerce Development Task Force. The Task Force has been established in January 2024 to explore the areas related to the development of electronic commerce (e-commerce), the impact of e-commerce on the economy as well as the development trends in the Mainland and other overseas e-commerce markets; and to co-ordinate and implement policies and measures on the development of e-commerce, with a view to assisting small and medium enterprises (SMEs) in conducting e-commerce business to expand their markets.

In consultation with the Financial Services and the Treasury Bureau and the Innovation, Technology and Industry Bureau (ITIB), the reply to the different parts of the question is as follows:

(1) The Government has liaised with local chambers of commerce and individual enterprises specifically on the issues of developing cross-border e-commerce business to understand the trade's interests in, as well as the opportunities and pain points of, developing cross-border e-commerce business. An expert group has also been established under the Task Force, comprising Legislative Council Members from different sectors and representatives in the industry, to offer advice to the Task Force and to assist the Government in keeping abreast of the market situation of e-commerce development and feedback from the trade more comprehensively.

In addition, the Hong Kong Trade Development Council (HKTDC) actively assists SMEs in joining the e-commerce business, including organising events to strengthen SMEs' understanding of e-commerce development on the Mainland. For example, in a business mission organised by the HKTDC in November 2023 to Hangzhou, 20 SME representatives visited organisations related to e-commerce development, including logistics enterprises, e-commerce platforms, live-streaming e-commerce service enterprises, e-commerce branding service companies and e-commerce live-streaming bases.

(2) The HKTDC's "Design Gallery" started its e-commerce business in 2010 with online stores on Taobao and JD International to provide channels for online promotion and sales. Since 2022, "Design Gallery", in collaboration with JD International, implements a cross-border e-commerce project to assist SMEs selling different products in tapping into the Mainland domestic market in a more convenient way by enabling the delivery of goods and collection of payments in Hong Kong.

Also, it was announced in the 2023 Policy Address that Hong Kong Shopping Festivals would be organised on e-commerce platforms. The HKTDC is liaising with different e-commerce platforms, with a view to organising the Hong Kong Shopping Festival in 2024 to enable SMEs to leverage the advantages of high traffic flow and massive customer base of these platforms to promote awareness of Hong Kong products and brands.

(3) The Trade and Industry Department assists SMEs in promoting Hong Kong brands with its various funding schemes. For example, the Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund) provides funding support for non-listed enterprises to develop their brands and businesses in the Mainland and 37 other economies. It was also announced in the 2023 Policy Address the launch of "E-commerce Easy" under the BUD Fund to strengthen funding support for SMEs to leverage e-commerce to promote their products. Moreover, the SME Export Marketing Fund provides funding support for SMEs to develop their brands and businesses in Hong Kong and external markets through participating in promotion activities.

In addition, the Government notes that the trade has launched quality accreditation schemes for different products and services for the participation of Hong Kong enterprises (including online shops). It is believed that such initiatives should be conducive to consolidating and promoting brand image of Hong Kong products, as well as assisting enterprises in tapping into the Mainland domestic market through, among others, e-commerce.

(4) In order to facilitate banks' assessment of cross-boundary loan applications, the People's Bank of China (PBoC) and the Hong Kong Monetary Authority (HKMA) agreed to formulate an overall framework on cross-boundary credit referencing, enabling banks in the two places to access the credit data of relevant corporate customers across the border after obtaining their consent. The PBoC and the HKMA have established a co-operation arrangement on the pilot project which will first take place between Shenzhen and Hong Kong. The HKMA's Commercial Data Interchange (CDI) enables local corporate customers to share with banks company information, including cross-border business data such as e-payment records and import and export declaration information, thereby streamlining loan application and approval procedures. At present, some SMEs in the market with cross-border e-commerce businesses have successfully applied for loans from local banks via the CDI. The HKMA will actively explore new business use cases and introduce various improvement measures to further promote the wider application of the CDI.

The Government is also committed to driving the Open Data Policy and promoting various government departments, public and private organisations to actively open up their data. At present, over 5 300 datasets encompassing various areas have been opened up on the open data website (data.gov.hk), providing more resources for the application of innovation and technology, including e-commerce, and driving the development of smart city and digital economy. In addition, the ITIB and the Cyberspace Administration of China entered into the Memorandum of Understanding on Facilitating Cross-boundary Data Flow Within the Guangdong-Hong Kong-Macao Greater Bay Area (MoU) in

2023, which provides a clear framework for facilitating the secure and orderly data flow from the Mainland to Hong Kong under the national framework on the safe management of cross-border data flow. Subsequently, under the framework set out in the MoU, the two sides jointly announced in December 2023 the facilitation measure of "Standard Contract for the Cross-boundary Flow of Personal Information Within the Guangdong-Hong Kong-Macao Greater Bay Area (Mainland, Hong Kong)", to streamline the compliance arrangements for personal information flow from the Mainland to Hong Kong and facilitate the provision of cross-border services in the region, in particular for the banking, credit referencing and healthcare sectors which have a strong demand for cross-border services, with a view to helping Hong Kong better integrate into the development of digital economy in the Guangdong-Hong Kong-Macao Greater Bay Area.

The Hong Kong Export Credit Insurance Corporation (HKECIC) provides export credit insurance services to Hong Kong exporters for the latter's trade with overseas buyers on credit terms, against non-payment risks arising from commercial or political events. In recent years, the HKECIC's insured business on cross-border e-commerce has risen steadily with the rapid growth of the e-commerce market. The HKECIC will continue to dedicate its efforts to providing protection for exporters, such that relevant enterprises may confidently trade with e-commerce buyers.

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Wednesday, February 21, 2024 is 105.0 (down 0.1 against yesterday's index).

Missing girl in Sau Mau Ping located

À Á À Á A girl who went missing in Sau Mau Ping has been located.

À Á À Á Chung Wing-man, aged 12, went missing after she left her residence in On Tat Estate on February 18 afternoon. Her family made a report to Police on February 19.

À Á À Á The girl was located at a shopping centre on Yuk Wah Street, Wong Tai Sin this morning (February 21). She sustained no injuries and no suspicious circumstances were detected.

LCQ15: Improving mental health of members of public

Following is a question by Professor the Hon Priscilla Leung and a written reply by the Acting Secretary for Health, Dr Libby Lee, in the Legislative Council today (February 21):

Question:

According to the Hong Kong Mental Health Index Survey 2022 released by the Research Working Group of the "Mental Health Month 2022" Organising Committee, the mental health index for Hong Kong people has failed to reach the passing level for five consecutive years, with an average score of 47.64 in 2022, which is below the passing score of 52. In addition, the survey found that 15.3 per cent and 12.1 per cent of the respondents suffered from symptoms of anxiety and depressive disorders respectively. There are views that these figures reflect that Hong Kong society is facing a serious public mental health crisis. In this connection, will the Government inform this Council:

(1) whether it has formulated and implemented comprehensive and effective mental health policies, and provided timely and appropriate support and services for members of the public in need, so as to prevent and reduce the occurrence of mental health problems; if so, of the details; if not, the reasons for that;

(2) whether it has enhanced and improved education and publicity on mental health, so as to raise mental health awareness and literacy among members of the public, as well as to eliminate discrimination and stigma against patients with mental illnesses; if so, of the details; if not, the reasons for that;

(3) whether it has increased and improved the manpower and resources for mental health services, so as to meet the ever-increasing demands and expectations among members of the public, as well as to ensure the quality and accessibility of mental health services; if so, of the details; if not, the reasons for that; and

(4) whether it has regularly and systematically gathered and analysed information on the mental health status of members of the public and set indicators for such data, so as to monitor and evaluate mental health trends and problems among members of the public, and to adjust and improve mental health-related policies and measures in the light of the actual circumstances; if so, of the details; if not, the reasons for that?

Reply:

President,

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

(1) and (3) The Government attaches great importance to the mental health of the public, and comprehensive mental health involves various aspects including medical care. Therefore, the Government adopts an integrated approach to promote mental health, providing services that include prevention, early identification, as well as timely intervention, treatment and rehabilitation services for persons in need. Apart from promotion of self-care, primary healthcare and community support, the Government provides specialist and institutionalised services, and also multi-disciplinary and cross-sectoral services to persons with mental health needs through co-ordination and co-operation among the Health Bureau (HHB), the Labour and Welfare Bureau (LWB), the Education Bureau (EDB), the Department of Health (DH), the Social Welfare Department (SWD), the Hospital Authority (HA), non-governmental organisations (NGOs) and other stakeholders in the community.

The Government published the Mental Health Review Report (Review Report) in 2017, putting forward a total of 40 recommendations on enhancing the overall mental health services covering 20 different areas, including promotion and education, research and studies, service capacity building and support services for persons of different age groups. To monitor the implementation of the recommendations of the Review Report, the Government set up the Advisory Committee on Mental Health (ACMH) in December 2017, comprising members from the healthcare, social service and education sectors, as well as lay persons with concerns over mental health, to advise the Government on mental health policies and assist the Government in formulating policies, strategies and measures to enhance the mental health services on all fronts.

To meet the ever changing mental health needs of society, government bureaux and departments have all along been monitoring the implementation of the recommendations of the Review Report on the collaborative platform of the ACMH with various stakeholders, patient groups, professionals, academics and relevant institutions, etc, and have been allocating resources to further strengthen mental health services, such as the following key initiatives launched in recent years:

(i) The HA has enhanced manpower and optimised the ratio of case manager under the Case Management Programme to patients with severe mental illness to no higher than 1:40;

(ii) the HHB launched the "18111 – Mental Health Support Hotline" to provide one-stop, round-the-clock support for people with mental health needs, rendering immediate mental health support and referral services;

(iii) the HHB set up a service centre to provide emotional support and counselling services for ethnic minorities. Supported by a multi-professional team comprising social workers, counsellors and support staff conversant in ethnic minority languages, the service centre provides mental health support

and counselling services to ethnic minorities and refers cases to other service platforms for additional support and/or treatment if needed;

(iv) the SWD will enhance the services of the Integrated Community Centres for Mental Wellness in 2024, including strengthening early identification of persons with mental health needs and early intervention, and scale up the training of social workers in community mental health service units to raise their capacity in handling complicated cases;

(v) the Government earmarked \$300 million under the Beat Drugs Fund to implement the Mental Health Initiatives Funding Scheme to provide better support to the needy in the community and raise public awareness of mental health;

(vi) the HHB will launch a pilot scheme in three District Health Centres in 2024 in collaboration with community organisations to provide mental health assessments for those in need, and to provide early follow-up and referral for high-risk cases;

(vii) in terms of children's and adolescents' mental health, the HHB launched the Pilot Scheme on New Service Protocol for Child and Adolescent with Attention Deficit Hyperactivity Disorder and Comorbidity, providing multi-disciplinary assessment, treatment and support services for children and adolescents with or suspected of having attention deficit hyperactivity disorder and comorbidity;

(viii) the Government implemented the Three-Tier School-based Emergency Mechanism through cross-departmental collaboration of the EDB, the HHB and the SWD to provide students with higher suicidal risk with support as early as possible, and has launched new measures to enhance the support for schools to identify students with higher suicidal risk early, such as organising training courses and workshops for schools to introduce related practical skills, counselling techniques and intervention strategies; and

(ix) in terms of elderly mental health, the SWD, in collaboration with the HA, launched the Dementia Community Support Scheme under a medical-social collaboration model to provide community support services to elderly persons aged 60 or above with mild or moderate dementia and their carers through District Elderly Community Centres.

(2) The Government spares no effort in mental health promotion and public education towards persons of different age groups. The ACMH launched the "Shall We Talk" mental health promotion and public education initiative in July 2020 to step up public engagement in promoting mental well-being; to enhance public awareness of mental health with a view to encouraging help-seeking and early intervention; and to reduce stigma towards people with mental health needs. The initiative includes (i) launching a one-stop mental health thematic website (shallwetalk.hk) to provide one-stop information and resources on mental health to the public and broadcasting videos on social media platforms, featuring the sharing of personal experiences and feelings by various stakeholders (including artists and key opinion leaders) to encourage the public to recognise mental health issues; (ii) broadcasting

promotional videos on the television, the radio and other media; and (iii) organising tours in different districts and tertiary institutions to promote mental health messages.

Moreover, the LWB organises the Mental Health Month annually in collaboration with various government departments, public organisations and NGOs providing community mental health support services to promote the messages of mental wellness and encourage the public's acceptance of persons in mental recovery. The SWD also sets up the Mobile Van for Publicity Service on Mental Wellness to promote public awareness of mental wellness and develop positive help-seeking attitudes/behaviours.

Furthermore, the Student Health Service of the DH delivers health promotion activities to Secondary 1 to 3 students through the Adolescent Health Programme, including basic life skills training, stress management, interpersonal skills and problem-solving skills, to enhance their psychosocial health and ability to cope with challenges during their growth. The EDB will also launch the "Mental Health Literacy" resource kit for senior primary and lower secondary levels in the 2023/24 school year and prepare the launch of resource kit for lower primary and senior secondary levels, so as to cultivate students' mental health literacy from a young age, proactively enhance students' awareness of mental health and assist schools in promoting mental health.

(4) The DH conducts regular territory-wide population health survey, which includes the collection of data on self-reported and doctor-diagnosed mental health issues from respondents. The Student Health Service of the DH also covers mental health-related assessments. Through clinical examinations and questionnaire screenings, individual students are assessed/referred based on aspects such as their psychosocial behaviours, and relevant data are taken into account in adjusting the health messages and service arrangements for students. These surveys are conducted on a regular basis and are effective in providing information for continuous assessment of the mental health status of the public.

Furthermore, on the recommendation of the ACMH, the Government commissioned the University of Hong Kong and the Chinese University of Hong Kong to conduct three mental health surveys in 2019, covering children and adolescents aged 6 to 17, youth aged 15 to 24, and elderly people aged 60 or above to collect data on the mental health status of the Hong Kong population. The three surveys were completed in 2023 and the survey findings have been released. In collaboration with the relevant government bureaux and departments, the HHB will proactively follow up on the survey reports and the recommendations made by the ACMH, and fully utilise the data obtained from the surveys to formulate comprehensive and targeted policies and support measures, with a view to enhancing the mental health of different age groups in society. The Government will consult the ACMH in a timely manner to consider the need and methodology for conducting longitudinal surveys in the future.

LCQ6: Measures for alleviating congestion at road tunnels

Following is a question by the Hon Gary Zhang and a reply by the Secretary for Transport and Logistics, Mr Lam Sai-hung, in the Legislative Council today (February 21):

Question:

In order to alleviate the problem of congestion at road tunnels, the Government launched the HKeToll, the "633" fixed toll plan (the "633" plan) and the time-varying toll plan respectively last year. In this connection, will the Government inform this Council:

(1) of the respective average daily total vehicular flows of each of the three road harbour crossings (the three RHCs) before and after the implementation of the "633" plan and the time-varying toll plan; whether it has studied if the travelling modes of members of the public have changed due to the implementation of these two plans;

(2) of the respective average percentages of the vehicular flows of each of the three RHCs during the morning and evening peak hours to the daily total vehicular flow before and after the implementation of the "633" plan and the time-varying toll plan; whether it has assessed if the effectiveness of these two plans on diverting the traffic has met the policy objectives and expectations; and

(3) whether it has assessed if the actual vehicular flows and traffic speeds of various road tunnels have increased after the implementation of HKeToll; if it has assessed and the outcome indicates that they have increased, of the details; if they have not increased, the reasons for that?

Reply:

President,

To rationalise cross-harbour traffic and better utilise the tunnel capacity, the Government adjusted in phases in 2023 the toll levels of the three road harbour crossings (RHC), namely the Western Harbour Crossing (WHC), the Cross Harbour Tunnel (CHT) and the Eastern Harbour Crossing (EHC), such that motorists would be able to adapt to the toll adjustments in a gradual manner. The Transport Department (TD) has been closely monitoring the traffic condition following the implementation of the new tolls. With adjustments to commuting patterns made by motorists in a co-operative manner, the new tolls have been shown to be effective and the overall traffic queue and congestion at the portals of the RHCs have been alleviated.

My reply to the question raised by the Hon Gary Zhang is as follows:

(1) Upon the takeover of the WHC on August 2, 2023, the Government implemented, as the first step, the "633" fixed toll plan at the three RHCs, i.e. the toll for private cars using the WHC was reduced by 20 per cent to \$60 and those for the CHT and the EHC were adjusted to \$30; while an all-day uniform toll of \$25 was charged for cross-harbour taxis. The "633" fixed toll plan was an interim measure with a view to reducing the toll differentials among the three RHCs, allowing motorists to progressively adapt to the new tolling arrangement. After the implementation of the "633" fixed toll plan, the weekday daily cross-harbour traffic flow was maintained at about 260 000 vehicles (two-way), which was similar to the traffic flow prior to its implementation. The distribution of traffic at the three RHCs is as follows: the traffic flow at the WHC increased by approximately 18 per cent to about 79 000 vehicles (two-way); those at the CHT decreased by approximately 6 per cent to about 105 000 vehicles (two-way); and those at the EHC remained more or less the same at about 76 000 vehicles (two-way). The outcome is in line with the Government's expectation. Details are at Appendix 1.

Following the further resumption of normalcy of social and economic activities, the weekday daily cross-harbour traffic flow at the RHCs rose to about 270 000 vehicles (two-way) in December 2023, which was comparable to the level before the pandemic (i.e. 2019). In the next stage, the Government has implemented time-varying tolls since December 17, 2023 in order to suppress and divert cross-harbour traffic during peak periods, thereby further improving the cross-harbour traffic.

Under time-varying tolls, the tolls for private cars and motorcycles vary according to the time slots. On weekdays, the tolls for private cars range from \$20 to \$60. Taxis continue to be charged an all-day uniform toll of \$25 while other commercial vehicles, including goods vehicles and buses, are charged an all-day uniform toll of \$50.

After the implementation of time-varying tolls, the weekday daily cross-harbour traffic flow in January 2024 maintained at about 270 000 vehicles (two-way), which was on par with the level prior to its implementation. The distribution of traffic at the three RHCs is as follows: the traffic flow at the WHC increased by 12 per cent to about 100 000 vehicles (two-way), while those at the CHT and the EHC decreased by 11 per cent to about 95 000 vehicles (two-way) and by 8 per cent to about 73 000 vehicles (two-way) respectively. Details are at Appendix 2.

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The above situation is in line with the Government's expectation of making more efficient use of the tunnel capacity of the three RHCs and rationalising the uneven distribution of cross-harbour traffic due to the toll differentials in the past.

(2) According to our data, the proportions of the peak period traffic flow to the daily traffic flow of the three RHCs before and after the implementation of "633" fixed toll plan as well as after the implementation of time-varying tolls were as follows: 41 per cent, 41 per cent and 39 per cent for the WHC; 31 per cent, 31 per cent and 33 per cent for the CHT; and 38 per cent, 39 per

cent and 40 per cent for the EHC respectively. Among them, the increase in the proportion of peak period traffic at the CHT and the EHC was mainly due to a different base with greater reduction in off-peak traffic for both tunnels. Previously, the whole-day traffic (including during off-peak hours) at the CHT and the EHC remained at a high level, whereas the capacity of the WHC outside the peak periods was not fully utilised. The new tolls have started to rationalise the unevenly distributed traffic among the three RHCs in the past.

To further evaluate the effectiveness of time-varying tolls, the TD has analysed the overall cross-harbour traffic volume and the queue length during peak periods. In January 2024, the overall traffic at the three RHCs during peak periods decreased by about 3 per cent on average. During the half-hour time span immediately before or after the peak periods, the overall cross-harbour traffic was up about 4 per cent on average. This shows that some motorists have chosen to commute outside the peak periods, in other words, opting to cross the harbour at a lower toll level.

As regards traffic queues, during peak periods, the queues at the CHT and the EHC reduced by more than 1 kilometre and 0.5km respectively. Outside peak periods, which accounted for nearly 80 per cent of the time of a day, the traffic at the three RHCs was generally smooth (including the CHT where congestion used to occur very often). Non-cross-harbour traffic near the portals of the RHCs has also significantly improved.

The above preliminary data show that the new tolls have achieved the policy objectives of rationalising the cross-harbour traffic and better utilising the tunnel capacity, and thus bringing benefits to private car motorists, the public transportation trade, the commercial vehicle trade, cross-harbour bus passengers, and the community as a whole.

(3) The HKeToll free-flow tolling service enables motorists to pay tolls remotely using toll tags, without having to stop or queue up at toll booths for payment. This saves time and efforts for motorists, hence delivering a smoother driving experience for them, whilst reducing weaving near the toll booths and thus improving the general traffic around the toll plazas.

The overall tunnel traffic flow after the implementation of HKeToll remained generally the same as before. For tunnels with traffic demand exceeding their capacity during peak periods, generally speaking, there has not been any significant change in the overall car journey speed as a result of the implementation of HKeToll.

Thank you, President.