

LCQ15: Policy on digital assets

Following is a question by Dr the Hon Johnny Ng and a written reply by the Acting Secretary for Financial Services and the Treasury, Mr Joseph Chan, in the Legislative Council today (December 11):

Question:

It has been reported that financial enterprises around the world have increased their investment in digital assets one after another, with the price of bitcoins, hailed as "digital gold", rocketing in tandem since this year, and the development of the global currencies will move toward digitalisation. Moreover, some overseas regions plan to position bitcoins as strategic reserve assets of the government, and even propose to set up a dedicated commissioner in charge of formulating and implementing the relevant policies, as well as promoting the development of the cryptocurrency industry. In this connection, will the Government inform this Council:

(1) as there are views pointing out that while the cryptocurrency industry is fast flourishing, the current regulatory regime related to cryptocurrencies has yet to be improved in Hong Kong, whether the Government will further expedite improvement to the relevant regulatory regime;

(2) whether the Government will consider setting up a new dedicated department or commissioner to study and formulate policies relating to digital assets and cryptocurrencies;

(3) as there are views that bitcoins have been gaining recognition worldwide, and as a digital asset, bitcoins are characterised by decentralisation despite having inherent risks, whether the Government will consider including digital assets and cryptocurrencies in its fiscal reserves and acquiring the same continuously through the Exchange Fund for long-term holding; and

(4) whether the Government has assessed and studied the impact of positioning bitcoins as strategic reserve assets by foreign countries on the financial security of China and Hong Kong (e.g. whether this will in the long run put pressure on the Hong Kong dollar system and its economic situation); if the Government has, of the relevant impact, together with the Government's corresponding measures in place, including whether it will leverage Hong Kong's first-mover advantages and unique resources in the field of cryptocurrencies to formulate sound strategic deployment, with a view to contributing to safeguarding national financial security?

Reply:

President,

On Dr the Hon Johnny Ng's question, upon consulting the Hong Kong Monetary Authority (HKMA) and the Securities and Futures Commission (SFC), my

reply is as follows:

(1) and (2) The rapidly evolving virtual asset (VA) sector is bringing new opportunities for financial innovation and inclusion while adding complexities to the financial system. In respect of regulation, the interconnectedness between the traditional financial system and the VA markets appear to be more apparent and rising, with international organisations and standard-setting bodies (SSBs) having accorded considerable attention to the potential risks posed by the prevalence of VAs on monetary and financial stability. Among others, in July 2023, the Financial Stability Board, in consultation with relevant SSBs, published a finalised global regulatory framework for crypto-asset activities. The framework provides recommendations relating to the regulation, supervision and oversight of crypto-asset activities and markets as well as global stablecoin arrangements. As a leading international financial centre in Asia, Hong Kong has key influence in the regulation and development of VA. In this connection, to facilitate the long-term sustainable development of industries related to VA, the Financial Secretary established the Task Force on Promoting Web3 Development in 2023 to make suggestions to the Government in respect of the sustainable and responsible development of the industries. Besides, in October 2022, the Government also issued the Policy Statement on Virtual Assets Development in Hong Kong, setting out that the Government and regulators would adhere to the principle of "same activities, same risks, same regulations" in enhancing VA-related regulatory frameworks.

In respect of VA-specific regulatory policies and measures, the Financial Services and the Treasury Bureau (FSTB) is responsible for formulating relevant policies and co-ordinating various departments and financial regulators. Among others, the Government has amended the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615) to introduce a licensing regime for VA service providers, ensuring that VA trading platforms comply with relevant international requirements on anti-money laundering and counter-terrorist financing while protecting investors. Further to the commencement of the licensing regime last year, FSTB has consulted the Panel on Financial Affairs of the Legislative Council (LegCo) this year on the regulatory regime for fiat-referenced stablecoin issuers, and will introduce the relevant legislative Bill to the LegCo within this month. Besides, regarding the over-the-counter trading services of VA, we are adjusting the proposal taking into account outcomes of the public consultation conducted early this year, and will conduct the second public consultation next year. We will also introduce a proposed licensing regime to regulate VA custodian services next year.

(3) The Exchange Fund invests in globally diversified asset classes and markets to diversify risks and enhance long-term returns. While crypto-assets are not the target assets of the Exchange Fund, the external managers appointed by the HKMA also invest in diversified asset classes and markets around the world. It cannot be ruled out that there may be investments involving crypto-assets during the investment operations of the external managers at different points of time, but the relevant proportion is minimal.

(4) The Linked Exchange Rate System (LERS) has been operating for more than four decades since its establishment in 1983, weathering many economic and interest rate cycles, as well as multiple global and regional economic and financial crises. It is the cornerstone of financial and monetary stability in Hong Kong and has continued to work well. Operating under the robust regime of the currency board arrangement, the LERS enjoys strong credibility in the global financial and monetary markets. International organisations such as the International Monetary Fund have continuously endorsed the suitability of the LERS as the monetary system for Hong Kong.

As mentioned above, the VA sector is having increasing interconnectedness with traditional financial activities. On one hand, the development of VA and related technologies can bring potential benefits to the financial market as a whole. For example, the efficiency and transparency of economic and financial activities could be enhanced by utilising blockchain technology. On the other hand, VA is associated with risks in different aspects including financial stability, money laundering and investor protection. The Government and regulators will continue to formulate regulatory regimes to address such risks under the principle of "same activities, same risks, same regulations". This approach can create a facilitative environment to foster innovation in a sustainable and responsible manner, while ensuring financial safety at the same time, so as to strengthen Hong Kong's key role as an international financial centre.

Other than enhancing the regulatory regime, the Government and regulators have also launched measures to facilitate market development. On tokenisation, to enhance market clarity, the SFC issued two circulars in November last year, respectively on intermediaries engaging in tokenised securities-related activities and on tokenisation of SFC-authorized investment products to shed light on the regulatory expectations from an investor protection perspective. The SFC also announced in October this year a number of measures to facilitate the VA development in Hong Kong, including a swift licensing process for VA trading platforms, and establishing a consultative panel for licensed trading platforms which is expected to operate from early next year.

LCQ19: Remuneration and benefits for politically appointed officials

Following is a question by the Hon Mrs Regina Ip and a written reply by the Secretary for Constitutional and Mainland Affairs, Mr Erick Tsang Kwok-wai, in the Legislative Council today (December 11):

Question:

Since the Government introduced the political appointment system in 2002, politically appointed officials (PAOs) have experienced four pay reductions in 2002, 2003, 2009 and 2020. There are views that nowadays the real value of the remuneration and benefits packages for PAOs has declined substantially. In this connection, will the Government inform this Council:

(1) in each of the past 10 years, of (i) the monthly cash remuneration levels for various tiers of PAOs, (ii) the percentage increase or decrease compared to the previous year, (iii) the total weighted average cost of the remuneration package for civil servants at D8 □level, and (iv) the respective differences in actual value and percentage between (i) and (iii) mentioned above;

(2) whether the Government will consider following the practice of employing contract staff on Non-Civil Service Contract terms and offering an end-of-contract gratuity to principal officials, so as to attract and retain outstanding political talents to take up such posts; if so, of the details and the implementation timetable; if not, the reasons for that; and

(3) given that PAOs are eligible for medical and dental benefits on the same basis as those provided to civil servants during their term of employment, but there are views that the current utilisation rates of the six families clinics under the Department of Health are close to saturation, whether the Government will consider providing PAOs with a medical insurance allowance; if so, of the details and the implementation timetable; if not, the reasons for that?

Reply:

President,

The reply to the Hon Mrs Regina Ip's question is as follows:

(1) The monthly cash remuneration for each tier of Politically-Appointed Officials (PAOs) of the Hong Kong Special Administrative Region (HKSAR) Government in the past 10 years, as well as the percentage change as compared to the previous year are at Annex 1. As regards the average monthly salary for a civil servant at Point 8 of the Directorate Pay Scale and its comparison with the monthly cash remuneration of a politically-appointed Director of Bureau, please see Annex 2. Other than the salary mentioned above, the staff cost for civil servants covers other staff benefits, including retirement protection, housing benefits, annual leave, education allowance, and medical and dental benefits, and etc. Civil servants are eligible for these benefits according to relevant conditions and actual circumstances.

(2) The political appointment system has been implemented since 2002. According to the remuneration package at that time, PAOs are, apart from cash remuneration, entitled to annual leave, medical and dental benefits as those provided to civil servants, Mandatory Provident Fund contribution by the Government, as well as a car and driver during their term of office, while

their remuneration package has been so structured that there are no housing allowance, no leave passage, no children's education allowance and no gratuity or retirement benefits. When the Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System of the HKSAR (the Commission) reviewed the remuneration package of PAOs in 2016, the Commission proposed some enhancement measures, including a one-off increment of 12 per cent on their cash remuneration, as well as an annual adjustment in line with the average movements of Consumer Price Index (C) thereafter. The proposal was approved and passed by the Legislative Council Finance Committee and is still in use today. As regards other components of the remuneration package, the Commission's recommendation at that time was to make no change, and the relevant arrangements are maintained until now. The Commission will carry out periodic review on the remuneration package of PAOs, so as to ensure it is commensurate with their responsibilities, and that it is fair, reasonable and sustainable for the recruitment and retention of high calibre talents.

(3) When the Commission carried out a review on the remuneration package of PAOs again in 2022, it considered that the level of medical and dental benefits that different layers of PAOs should be entitled to require careful examination and justification. The Commission will study and discuss the subject further before the end of March 2025.

[LCQ18: Promoting application of hydrogen energy](#)

Following is a question by the Hon Chan Hak-kan and a written reply by the Secretary for Environment and Ecology, Mr Tse Chin-wan, in the Legislative Council today (December 11):

Question:

There are views pointing out that the completion of the first public hydrogen refuelling station in Hong Kong last month has provided the infrastructural support for Hong Kong to increase the application scenarios of hydrogen energy and the development of Hong Kong as a demonstration centre of hydrogen energy for the country. Regarding promoting the application of hydrogen energy, will the Government inform this Council:

(1) whether it will take the initiative to invite commercial organisations owning large fleets of vehicles (e.g. commercial organisations with a fleet size of 100 or more vehicles) to participate in trial programmes of hydrogen-powered passenger vehicles, so as to promote the wider application and practical use of hydrogen energy;

(2) whether it will take the initiative to invite cross-boundary cargo transportation companies to explore the feasibility of using hydrogen-powered goods vehicles for cross-boundary cargo transportation; if so, of the details; if not, the reasons for that;

(3) whether it has sought to understand the future plans of the two power companies regarding hybrid hydrogen power generation; whether it will require the two power companies to include a specific proportion of hydrogen co-firing power generation in all of their new gas-fired power plants in the future; if it will, of the details; if not, the reasons for that;

(4) whether it will launch trial schemes for the wide application of hydrogen energy in the transport and construction industries, such as the use of hydrogen battery-powered fork-lift trucks for cargo movement and the use of hydrogen-powered shifting machines (e.g. bulldozers, loaders, excavators and trucks) at construction sites;

(5) whether it has plans to step up the nurturing of relevant local talents in the hydrogen energy industry; if so, of the details; and

(6) whether it will strengthen co-operation with other Mainland cities in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) in respect of the promotion of the application and practical use of hydrogen energy, so as to jointly promote the development of the hydrogen energy industry in GBA?

Reply:

President,

Hydrogen energy is a promising new energy source with a wide range of applications. The world is expediting the development of hydrogen economy and applications. Though the scarce land resources and dense population have rendered it difficult for Hong Kong to develop into a major manufacturing base for green energy, we can still promote green transformation by leveraging hydrogen energy in our pursuit of carbon neutrality. As an international city, Hong Kong can also serve as a demonstration platform for green and low-carbon technologies, and facilitate the export of technologies and products developed in the Mainland and Hong Kong. As an international financial centre, Hong Kong can even help provide green financing and professional services for the green transformation in different areas and regions. The Government promulgated the Strategy of Hydrogen Development in Hong Kong in June 2024, with a view to creating a local environment conducive to the development of hydrogen energy in a prudent and orderly manner.

To help Hong Kong capitalise on the environmental and economic opportunities brought about by the development of hydrogen energy, the Environment and Ecology Bureau set up the Inter-departmental Working Group on Using Hydrogen as Fuel (the Working Group) in 2022 to jointly formulate best practices, regulations and standards, etc, for the safe applications of hydrogen energy in the local context, and actively study the development and commercialisation pathways of various hydrogen energy technologies through

promoting local trial projects on hydrogen energy, having regard to the development needs of Hong Kong. To date, the Working Group has successively given agreement-in-principle to a total of 18 applications of hydrogen energy trial projects.

In consultation with the Electrical and Mechanical Services Department (EMSD), my reply to the question raised by the Hon Chan Hak-kan is as follows:

(1), (2) and (4) The Working Group has been co-ordinating the work of various bureaux and departments in promoting the local application of hydrogen energy through trial projects. Trials on hydrogen fuel cell (HFC) heavy vehicles that have commenced or are under planning include a double-decker bus, street washing vehicles, refuse collection vehicles, coaches and minibuses for providing shuttle service to the construction site for workers, cross-boundary passenger buses and logistics vehicles, etc. The Working Group welcomes more fleets and cross-boundary logistics enterprises to carry out trials so as to collect more trial data and experience for evaluating the operational performance of HFC heavy vehicles as compared with that of conventional fuel-propelled vehicles in the local context. Larger logistics enterprises taking part in the relevant trials are likely to have an edge in resource allocation and experience sharing. The Chief Executive's 2024 Policy Address announced the earmarking of funds under the New Energy Transport Fund to launch the Subsidy Scheme for Trials of HFC Heavy Vehicles. We will announce the details of the acceptance of invitations under this scheme in due course.

Hydrogen energy, as a transportable and highly energy-efficient energy, is particularly suitable in areas such as mobile machinery, including vehicles used at construction sites. The construction industry in Hong Kong has already started to explore the feasibility of distributed electricity supply using hydrogen to replace traditional diesel generators to supply electricity to site offices and machinery at construction sites in remote areas without access to adequate electricity supply, including large-scale construction sites in new development areas. The Government continues to communicate with relevant industry stakeholders (such as the Construction Industry Council) to actively explore the potential for using hydrogen energy equipment in engineering projects and to test out various hydrogen application scenarios in Hong Kong. As at end of November this year, the Working Group has given agreement-in-principle to multiple applications involving the application of hydrogen as fuel at construction sites, including the trial of HFC forklift trucks and use of hydrogen power generation equipment to supply electricity to site offices and electrical machinery at construction sites.

(3) To align with the development of hydrogen in Hong Kong, CLP Power Hong Kong Limited (CLP) and Hongkong Electric Company Limited (HEC) are actively exploring the possibility of blending hydrogen with natural gas in electricity generation. CLP has stated that it is preparing for the long-term application of new energy in electricity generation and has signed a Memorandum of Understanding agreement with General Electric Company to

jointly explore the feasibility of using hydrogen blended with natural gas for power generation at CLP's Black Point Power Station. Additionally, HEC has mentioned that it is exploring the application of hydrogen energy by blending it with natural gas for the gas-fired units, with the goal of gradually transitioning to 100 per cent green hydrogen fuel and achieving carbon neutrality in power generation.

(5) Capacity building is critical to the long-term development of the local hydrogen industry. The EMSD actively promotes the training of professionals in hydrogen energy technology, and is exploring with the Vocational Training Council (VTC) and hydrogen fuel system suppliers the organisation of relevant safety training courses for hydrogen fuel practitioners. With the EMSD's support, the VTC has signed memorandums of co-operation with the China Inspection Company, a standard and testing institution, and Shanghai REFIRE Group, manufacturers of hydrogen fuel system, on June 14 and 18 respectively. Leveraging the companies' expertise in hydrogen energy, this collaboration aims to cultivate more technical talents for Hong Kong's hydrogen energy industry.

(6) The EMSD has maintained close technical exchanges with the State Administration for Market Regulation (SAMR) and the General Administration of Customs of the People's Republic of China (GACC). In particular, the EMSD has jointly established with GACC the "Green Corridor" for the transport of hydrogen samples, and simplified customs clearance arrangements for hydrogen conveyance vehicles, in order to facilitate the transportation of hydrogen used as fuel from the Mainland to Hong Kong by cross-boundary hydrogen conveyance vehicles. In addition, the EMSD has also maintained close communication with SAMR to ensure effective implementation of safety management and monitoring as well as quality control, and to actively promote exchanges and co-operation on manufacturing, storage, transport, application along the industry chain of hydrogen energy. The EMSD is exploring with SAMR on promoting the alignment of Hong Kong's and the Mainland's standards on safety monitoring and testing, with a view to formulating the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) standards, group standards and Guobiao, and even jointly participating in the formulation of international standards.

The Environmental Protection Department (EPD) and China Petroleum & Chemical Corporation (Sinopec Corp) signed the Memorandum of Understanding (MOU) on the Development and Application of Hydrogen Energy in Hong Kong on November 25. The MOU strengthens collaboration between both parties in promoting the development, demonstration of application, as well as capacity building for the hydrogen energy industry. The MOU covers technical exchanges and experience sharing in the hydrogen energy industry. Sinopec Corp will build a green hydrogen production facility for demonstration purposes at a restored landfill of the EPD. The hydrogen produced by the facility will serve the local market with a view to supporting wider applications of hydrogen and facilitating the development of hydrogen energy in Hong Kong. Sinopec Corp will also assist the Government of the Hong Kong Special Administrative Region (HKSAR) in promoting publicity and education about hydrogen energy, enabling the public to better understand global development trends in the safe use of hydrogen energy.

Our country has a solid foundation for the development of the hydrogen industry, and the Nanhai District of Foshan in GBA is one of the pioneering demonstration zones for hydrogen industry development in the Mainland. The Government will continue to be committed to promoting hydrogen development through regional collaboration, including actively following up on the co-ordination mechanisms between the HKSAR Government and the Guangdong Provincial Development and Reform Commission, as well as the provincial GBA Office. This can complement regional co-operation mechanisms on other issues including the Pearl River Delta Air Quality Management and Monitoring Special Panel under the Hong Kong-Guangdong Joint Working Group on Environmental Protection for taking forward the demonstration projects of new energy cross-boundary goods vehicles, as well as the EMSD's connections and collaborations with SAMR and GACC on the technical level.

Hong Kong will continue to leverage its distinctive advantages of enjoying strong support of the motherland and being closely connected to the world, and capitalise on its important role as a "super connector" and "super value-adder" between the country and the international community, with a view to creating opportunities for talent, financing and further development. We will strive to facilitate the export of the country's advanced green hydrogen technologies and products to gain international market recognition and bolster competitive advantages, complement the strengths of other regions in the GBA in helping our country go global and attract foreign investment, and integrate into the overall development of the country.

Revision of limits of liability in Montreal Convention to be gazetted Friday

The Carriage by Air (Revision of Limits of Liability) (Montreal Convention) Notice 2024 will be gazetted on Friday (December 13) to announce the revision made to the limits of liability in respect of the carriage of passengers, baggage and cargo specified in the Convention for the Unification of Certain Rules for International Carriage by Air (the Montreal Convention) which will become effective on December 28.

Details of the revision are as follows:

(a) the limit of liability for each passenger for damage sustained in case of death or bodily injury of a passenger is increased from 128,821 Special Drawing Rights as defined by the International Monetary Fund (SDRs) (Note) to 151,880 SDRs;

(b) the limit of liability for each passenger in relation to damage caused by delay in the carriage of persons is increased from 5,346 SDRs to 6,303 SDRs;

(c) the limit of liability for each passenger in case of destruction, loss, damage or delay in relation to the carriage of baggage is increased from 1,288 SDRs to 1,519 SDRs; and

(d) the limit of liability in case of destruction, loss, damage or delay in relation to the carriage of cargo is increased from 22 SDRs per kilogram to 26 SDRs per kilogram.

The limits of liability in respect of the carriage of passengers, baggage and cargo stipulated in the Montreal Convention are subject to regular review by the International Civil Aviation Organization (ICAO) every five years based on a built-in mechanism. The liability limits will be revised if an inflation factor exceeds 10 per cent to enable timely updating of the liability limits to reflect changing prices.

A spokesman for the Transport and Logistics Bureau said, "As advised by the ICAO recently, the latest review has been completed and concluded that the inflation factor is 17.9 per cent and the limits of liability will be revised with effect from December 28."

Airlines operating scheduled services to and from Hong Kong, including all Hong Kong Air Operator's Certificate holders and Board of Airline Representatives in Hong Kong, have been notified of the review of limits of liability conducted by the ICAO and the revision to the limits of liability.

The Montreal Convention is an international instrument governing carriers' liability for injury or death of passengers, damage or loss of baggage and cargo and losses caused by delays. Hong Kong has implemented it through the Carriage by Air Ordinance (Cap 500). The limits of liability specified in Schedule 1A and 3 are revised pursuant to Section 21 of the Ordinance.

Note: Special Drawing Right is an international monetary unit established by the International Monetary Fund. At current market exchange rate, 1 SDR roughly equals US\$1.3.

LCQ7: China's Standards and GBA Standards

Following is a question by the Hon Yung Hoi-yan and a written reply by the Secretary for Commerce and Economic Development, Mr Algernon Yau, in the Legislative Council today (December 11):

Question:

It is learnt that the Governments of Guangdong, Hong Kong and Macao have been proactively developing the Guangdong-Hong Kong-Macao Greater Bay Area Standards (GBA Standards) for different products or services in recent years, and a total of over 200 items have been announced to date. Meanwhile, many Belt and Road countries are gradually adopting the National Standards of the People's Republic of China (China's Standards). In this connection, will the Government inform this Council:

- (1) whether it has compiled statistics on the number of government departments and enterprises which have currently adopted the GBA Standards and China's Standards, as well as collated information on the details of the standards adopted by such departments and enterprises; if so, of the details; if not, the reasons for that;
- (2) whether it has plans to develop the GBA Standards in more fields; if so, of the details; if not, the reasons for that;
- (3) of the number and contents of the relevant publicity activities organised by the Government since the announcement of the first batch of the GBA Standards; and
- (4) whether the Government has plans to further promote the GBA Standards and China's Standards in Hong Kong, so as to encourage adoption by more enterprises; if so, of the details; if not, the reasons for that?

Reply:

President,

To grasp the development opportunities brought about by the Guangdong-Hong Kong-Macao Greater Bay Area (GBA), the governments of Guangdong, Hong Kong and Macao are dedicated to formulating the GBA Standards of various products and services for relevant trades to adopt on a voluntary basis, with a view to improving product and service quality, promoting the interconnectivity and integrated development of the three places, as well as deepening Hong Kong's economic and trade exchanges and co-operation with the Mainland and Macao. As for the mandatory national standards of the Mainland, or Guobiao, products falling short of which shall not be produced, sold, imported into or supplied on the Mainland.

Having consulted the Development Bureau, the Environment and Ecology Bureau, the Innovation, Technology and Industry Bureau and the Transport and Logistics Bureau, the consolidated reply to the four parts of the question is as follows:

GBA Standards

The governments of Guangdong, Hong Kong and Macao signed a Memorandum of Understanding on jointly promoting the development of GBA Standards on April

24, 2023, and promulgated the first batch of a total of 110 GBA Standards. To date, a total of 215 GBA Standards have been developed and promulgated, including 32 most recently developed and promulgated on July 31, 2024. The 215 GBA Standards cover items in the fields of food quality and safety, Cantonese cuisine, prepared dishes, transportation, mechanical and electrical products, as well as medical care, nursing care, education, e-sports and environmental, social and governance, etc. According to the statistics of the Standardization Research Center for the GBA, more than 1 000 enterprises, organisations or entities in Guangdong, Hong Kong and Macao have declared the adoption of one or more GBA Standards, including more than 130 Hong Kong enterprises, organisations or units. The Government will continue to maintain contact with the Guangdong authorities on the extent of utilisation of the GBA Standards.

At the same time, the Government will continue to liaise and co-operate with the Guangdong and Macao authorities to promote the expansion of the list of the GBA Standards to cover more products and services in different fields. The development of the GBA Standards involves many sectors, as well as relevant technical and professional knowledge. Relevant trade associations, enterprises or organisations of Guangdong, Hong Kong and Macao are welcome to jointly draw up the GBA Standards and submit applications to the Standardization Research Center for the GBA.

The Trade and Industry Department (TID) has been coordinating the participation of relevant Government bureaux and departments in the work on the GBA Standards and, at the same time, invites them to encourage relevant organisations and enterprises to participate in the formulation and use of the GBA Standards. Since the promulgation of the first batch of the GBA Standards, the TID has held or attended four briefings and meetings to introduce and promote the use of GBA Standards to major industrial and trade organisations (ITOs) and the Small and Medium Enterprises Committee, and to encourage the trade's active participation in the formulation of GBA Standards. At the meetings and exchanges with individual ITOs, the TID also invites them to encourage their member enterprises to actively participate in the formulation and use of the GBA Standards in accordance with market situation and needs, with a view to helping promote their products and services in the GBA. In addition, the TID issues Commercial Information Circulars to provide the trade with information on the GBA Standards.

Other bureaux and departments also actively participate in the promotion of the GBA Standards. For example, the Development Bureau is collaborating with the Guangdong Province and the Macao Special Administrative Region to formulate the GBA Standards on the skill levels of skilled workers and technicians in the construction sector, and will take forward the "One Examination, Multiple Certification" arrangement. The purpose of formulating the GBA Standards is to enhance the quality of construction training in the GBA. Hence, the GBA Standards will be established based on the principle of "adopting the higher standards, and covering more elements", so as to follow the higher standards among the three places and cover the key elements in the individual syllabuses of the three places. Those who pass the examinations adopting the GBA Standards can concurrently obtain vocational skill

certificates issued by the three places. This will contribute to the nurturing of construction talents in the GBA. We aim to announce the GBA Standards and take forward the "One Examination, Multiple Certification" arrangement for the first pilot trade by the first quarter of 2025. The Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department has also set up a dedicated webpage on the GBA Standards for food with a view to explaining the relevant details to, and consolidating useful references for, the trade. In the meantime, the CFS has also been promoting the adoption of the GBA Standards via the regular communications or meetings with the trade and stakeholders.

The TID will continue to invite bureaux and departments to promote the use of the GBA Standards in their policy areas, including engaging relevant government agencies of Guangdong and Macao to jointly consider promoting the formulation and application of the GBA Standards in businesses involving Guangdong, Hong Kong and Macao, with a view to bringing facilitation and other specific benefits to the trade, thereby encouraging their use of the GBA Standards.

Guobiao

The Government has not compiled statistics on the number of government departments and/or enterprises which have currently adopted Guobiao in its policy/business areas.

As regards the introduction of vehicle brands and models from the Mainland, the Transport Department (TD) has been accepting submissions of Guobiao from the trade to substantiate that the vehicles or their components comply with the objective vehicle construction standards stipulated in the legislation. The TD has also been regularly reviewing existing laws and guidelines in response to relevant vehicle standards on the Mainland and in different regions. When amending related legislation, the TD would suitably include Guobiao as one of the approved specifications in vehicle construction standards. As of end October 2024, the TD has approved 144 electric vehicle models from the Mainland.

Besides, the CFS will take into account the latest development of relevant food regulations, including the standards of the Codex Alimentarius Commission and relevant food safety standards of major sources of import (e.g. Guobiao), and consider local food consumption pattern, dietary practices, results of risk assessments and stakeholders' concerns, in formulating and updating local food safety standards.

As regards building standards, the Development Bureau will review and enhance Hong Kong's building standards, which have been in place for many years, through the Building Technology Research Institute by making reference to overseas building standards and Guobiao, with a view to promoting local application of high-quality and cost-effective construction materials from the Mainland and overseas. At the same time, the Development Bureau will also closely liaise with its counterparts in the Guangdong Province to take forward the formulation of the GBA Construction Standards.