

## [SCST congratulates Hong Kong athletes on remarkable results achieved at National Student \(Youth\) Games](#)

â€‹The 1st National Student (Youth) Games (NSYG) concluded today (November 15). The Secretary for Culture, Sports and Tourism, Mr Kevin Yeung, complimented Hong Kong's athletes on their outstanding performances and achievements of winning a total of 48 medals.

Mr Yeung said, "Young Hong Kong athletes showcased their indomitable spirit and gave full play to their strengths at the NSYG. We are thrilled by their exemplary performances. Carrying on the tradition established by their predecessors and seizing the opportunities to accumulate valuable experiences, these athletes have reached new heights and will become pillars of Hong Kong's sports sector. I hope they will continue to challenge themselves and achieve more accomplishments in future."

Jointly organised by the Ministry of Education of the People's Republic of China, the General Administration of Sport of China and the Communist Youth League of China, the 1st NSYG was held in Nanning, Guangxi Zhuang Autonomous Region. The Hong Kong Special Administrative Region (HKSAR) Government sent a delegation of 720 young athletes to take part in the finals of 34 sports of the Games, including seven sports in the School Category and 27 sports in the Open Category. This was the largest delegation of athletes that the HKSAR sent to large-scale sports games on the Mainland. In total, the athletes have won 10 gold medals, 15 silver medals and 23 bronze medals in the NSYG.

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## [Hong Kong Customs seizes suspected counterfeit goods worth about \\$1.6 million \(with photo\)](#)

Hong Kong Customs on November 10 seized about 4 000 items of suspected counterfeit goods with an estimated market value of about \$1.6 million at the Tuen Mun River Trade Terminal Customs Cargo Examination Compound.

Through risk assessment, Customs on that day inspected a 40-foot container, declared as carrying daily necessities and arriving in Hong Kong from Nansha, Guangdong. After inspection, Customs officers found the batch of suspected counterfeit goods, including footwear, watches, clothes and mobile

phones, therein.

An initial investigation revealed that the batch of suspected counterfeit goods would be transhipped to overseas regions.

An investigation is ongoing.

Customs will continue to combat cross-boundary counterfeit goods activities with stringent enforcement action based on risk assessment and intelligence analysis.

Under the Trade Descriptions Ordinance, any person who imports or exports any goods to which a forged trademark is applied commits an offence. The maximum penalty upon conviction is a fine of \$500,000 and imprisonment for five years.

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



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## [LCQ10: Promoting sports development](#)

Following is a question by the Hon Jimmy Ng and a written reply by the Secretary for Culture, Sports and Tourism, Mr Kevin Yeung, in the Legislative Council today (November 15):

Question:

As pointed out in a research publication of the Legislative Council Secretariat, Hong Kong faces quite a number of challenges in developing the sport industry, including limited tax incentives to encourage resources from the business and private sectors, and few measures available to promote sport sponsorship. On promoting sports development, will the Government inform this

Council:

(1) of the amount of tax deductions available to Hong Kong enterprises relating to expenses on sport sponsorship in each of the past five years; whether it will provide additional tax concessions for enterprises' expenses on sport sponsorship, such as allowing a 200 per cent tax deduction for the amount of sponsorship for sports events; if so, of the details; if not, the reasons for that;

(2) as the Chief Executive indicated in the 2023 Policy Address that the Government will collaborate with the Sports Federation & Olympic Committee of Hong Kong, China to organise Festival of Sport events on the Sport For All Day, and will consider opening its sports facilities for free admission on specific festive occasions every year, where thematic sports days will be held for public participation, of the details of relevant events and initiatives;

(3) whether it has assessed the effectiveness of the work of promoting urban sports, such as 3 on 3 basketball, sport climbing and skateboarding; and

(4) as the Government introduced various measures to enhance the "M" Mark System (the System) in April this year, of the number of applications for "M" Mark events following the introduction of these measures, and whether the average amount of funding support for each event has increased accordingly compared with that before the introduction of the enhancement measures; whether it has plans to further increase the amount of funding for each event under the System; if so, of the details; if not, the reasons for that?

Reply:

President,

It is the Government's policy to promote the development of sports through a five-pronged approach, namely, by promoting sports in the community, supporting elite sports, promoting Hong Kong as a centre for major international sports events, enhancing professionalism and developing sports as an industry; which include strengthening the support to elite athletes, attracting major international sports events to Hong Kong and further promoting sports development through enhanced professionalism in the sports sector and the development of sports as an industry. In addition, we endeavour to promote sports in the community and in schools, build more and enhance sports and recreation facilities, and encourage collaboration among communities in fostering a strong sporting culture.

My reply to the questions raised by the Hon Jimmy Ng is as follows:

(1) At present, if a commercial organisation sponsors a sports event in order to promote its own business, the sponsorship concerned will be treated as marketing expenses and can be used to apply for tax deduction. Given the large number of sports events of varying scale, we have not maintained information on tax deduction relating to sports sponsorship expenses by commercial organisations. Upon a comprehensive review, including the

implications on other charitable services following the introduction of special tax deduction under a certain policy, the Government has decided not to introduce new tax concessions for commercial organisations sponsoring local sports organisations for the time being.

(2) The Leisure and Cultural Services Department (LCSD) has been organising the "Sport For All Day" every August since 2009 to encourage people of all ages and abilities to take part in sports activities. On the event day, a series of free sports and recreation programmes will be offered at designated LCSD venues across the 18 districts, while most of the LCSD's sports facilities will be open for free use by the public. In a bid to further promote "Sport for All" and encourage the public to participate in sport, the LCSD will collaborate with the Sports Federation & Olympic Committee of Hong Kong, China (SF&OC) to organise Festival of Sport events on the "Sport For All Day" at government venues and private venues such as shopping centres. We will announce the details in due course after discussion with the SF&OC on the event arrangements. The LCSD will also consider opening its sports facilities for free admission on specific festive occasions every year and holding thematic sports days (e.g. distance race) for public participation, so as to achieve synergy and provide more opportunities for the public to use the LCSD sports facilities free of charge, and thereby help them develop a healthy lifestyle of regular exercise.

(3) To further promote sports in the community, the Chief Executive announced in the 2022 Policy Address that the Government would work with the sports sector, schools and other sectors to promote urban sports that are popular among young people in recent years, such as 3-on-3 basketball, futsal, breaking, skateboarding and sport climbing. We will provide subsidy to those schools and organisations which are interested in participating in the promotion programme for organising training courses as well as activities on urban sports. In the first phase, we will work with schools in organising training courses and activities after class at school campus, with an aim to provide 8 000 students with the opportunity to take part in urban sports every year starting from the 2023/24 academic year. We will review the promotion programme in due course and refine relevant measures when necessary in order to optimise its effectiveness.

In addition, to encourage the participation in sports by members of the public and promote urban sports, the LCSD plans to organise some 370 urban sports programmes in 2023-24, including 3-on-3 basketball, sport climbing, breaking, skateboarding and futsal, which are expected to be participated by about 15 300 people. For the Corporate Games 2023, futsal has been included as one of the competition events and a substitute for 7-a-side soccer. Moreover, the LCSD will retain futsal events and add some urban sports (such as sport climbing, breaking and skateboarding) as demonstration competitions in the 9th Hong Kong Games, and substitute 5-on-5 basketball competition by 3-on-3 basketball which is more popular among the youth. At the, the LCSD provides subvention of around \$10 million through the Sports Subvention Scheme to relevant national sports associations of urban sports for their organisation of over 400 programmes, which are expected to be participated by about 30 000 people. The LCSD will closely monitor the implementation of the

programmes and encourage wider public participation in order to evaluate the effectiveness of the programmes.

(4) The Government has launched various measures on April 1, 2023 to enhance the "M" Mark System with a view to attracting more major international sports events to be held in Hong Kong. The measures include increasing the funding ceiling for each event to \$15 million, lifting the quota of "M" Mark events to be organised by the same applicant each year, and relaxing the eligibility of the applicants for "M" Mark events to cover events organised by national sports associations (NSAs) as well as other private or non-governmental organisations (NGOs).

Responses have been positive since the implementation of the enhancement measures. From April to October 2023, we received more than 20 applications. It is envisaged that about 17 major international sports events being awarded "M" Mark status will be held in Hong Kong in this financial year, which is the highest number ever. It represents an increase of three events (around 21 per cent) as compared to a maximum of 14 events per year in the past. Among these events are the Aramco Team Series Hong Kong as well as the Hong Kong Tennis Open, which are staged in Hong Kong for the very first time. So far, nine events have taken place and five events have been granted a matching fund up to a ceiling of \$15 million. With the enhancements of the "M" Mark System, the average subsidy per event is approximately \$7.66 million, which is a significant increase as compared with \$1.64 million per event before the introduction of the enhancement measures. We will continue to closely monitor the effectiveness of the enhancement measures and review the "M" Mark System in order to meet the needs of events of different scales. With the above, we hope to encourage NSAs, private enterprises and other NGOs to bid for the hosting of more major international sports events in Hong Kong.

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## [LCQ21: Arrangement of designating the day following an election day as a school holiday](#)

Following is a question by the Hon Judy Chan and a written reply by the Secretary for Constitutional and Mainland Affairs, Mr Erick Tsang Kwok-wai, in the Legislative Council today (November 15):

Question:

The Education Bureau announced in June 2020 that given that in the elections held in the preceding few years, school premises could only be returned to schools in the mornings following the election days for some polling stations, which had as a result affected the normal operation of the

schools concerned, starting from the 2020-2021 school year, all schools offering formal curriculum, including public sector, Direct Subsidy Scheme and private secondary schools, primary schools, kindergartens and kindergarten-cum-child care centres, were required to designate the day following the election day of a major public election as a school holiday. In this connection, will the Government inform this Council:

(1) whether it has compiled statistics on the number of schools which lent out their school premises for use as polling stations and counting stations in the 2021 Legislative Council (LegCo) General Election as well as its percentage in the total number of schools (with a breakdown by school category (i.e. secondary school, primary school, kindergarten and kindergarten-cum-child care centre)); whether it has projected the relevant figures for the 2023 District Council Ordinary Election (DCOE) to be held next month; if so, of the details;

(2) whether, in the 2021 LegCo General Election, there were cases in which the authorities could only return school premises used as polling and counting stations to schools in the morning following the election day; if so, of the details;

(3) as there are views that the designation of the day following the election day of a major public election as a school holiday will result in more members of the public being unable to vote since they will make use of the three-day long weekend holiday for outbound travel, whether the authorities have reviewed if the arrangement of designating the day following an election day as a school holiday will lower the voter turnout rate; if they have, of the details; if not, the reasons for that; and

(4) whether it will introduce targeted measures to encourage members of the public to stay in Hong Kong and vote during the weekend when the 2023 DCOE is held; if so, of the details?

Reply:

President,

As school premises are more spacious and conveniently located, around half of the polling and counting stations are set up in various types of schools in every major public election, including secondary schools, primary schools and kindergartens. In the past, the Registration and Electoral Office (REO) must clear and return the premises concerned before 6 am on the day following the election day so as to enable the schools to resume their normal operation. In the event that the count has not been completed, the REO might have to relocate to a reserve counting station to continue the count.

The Electoral Affairs Commission (EAC) recommended for the first time in the Report on the 2016 Legislative Council General Election (LCGE) for the Government to consider designating the day following the Legislative Council election polling day as a school holiday, so that polling stations and counting stations that were set up in school premises need not relocate to a

reserve counting station due to the need to return the premises by 6 am on the following day. Not only does this ensure the count would not be interrupted, it also effectively alleviates the work pressure on the counting staff as well as the impact on the operation of schools. The EAC reiterated the same recommendation in the Report on the 2019 District Council Ordinary Election (DCOE).

Having consulted the school sector on the recommendation in 2020, the Government issued the Education Bureau Circular No. 5/2020 to all public, Direct Subsidy Scheme and private secondary schools, primary schools, kindergartens and kindergarten-cum-child care centres to announce that, starting from the 2020/21 school year, the day after the election day of a major public election (viz. LCGEs and DCOEs) would be designated as a school holiday. The related arrangement was first implemented in the 2021 LCGE. Experience revealed that the measure promoted schools to lend their premises for the elections, and avoided the risks involved in the transport of the ballot papers and other election materials to the reserve counting stations.

In response to the Hon Chan's question, our reply is as follows:

(1) For the geographical constituency (GC) elections of the 2021 LCGE, a total of 384 schools were used as polling-cum-counting stations, whereas it is estimated that 363 schools will be used as polling-cum-counting stations in the 2023 DCOE. Please refer to details at Appendix.

(2) The time to complete the count in addition to the return of school premises are affected by many factors. For example, candidates, their election agents and/or counting agents can request for a re-count of valid votes for all counting stations of that District Council geographical constituency (DCGC) after the Returning Officer (RO) has announced the compiled counting results of all counting stations in that DCGC. Therefore, respective Presiding Officers must wait until the ROs have confirmed that no further re-count is required before wrapping and sealing the election documents and ballot papers, and then clearing up the venues before returning the school premises. For the 2021 LCGE, the counting results of respective GCs were declared gradually from around 5.46am to 7.17am on the day following the polling day. Some 180 schools used as polling/ counting stations could not complete the count process and clearing up before 6am on the day following the election and could only be returned to the schools later during the day.

(3) The Government currently has no plans to make changes to the prevailing arrangement of having the day following the election as a school holiday. As we have all along been emphasising, the voter turnout rate could not be regarded as an indicator of success of the system and it is also affected by various factors at the same time. Therefore, we should not blindly go after the so-called "high voter turnout rate" or set any specific indicator. We will only endeavor our best efforts to continue with the relevant publicity works, and ensure the smooth operation of the new system, with a view to achieving the anticipated results of the system, benefiting the public's livelihood and ensuring the harmony and stability of the community.

(4) As emphasised by the Government, this District Council (DC) election is the first major territory-wide election after the improving district governance system and reforming the DCs, and is of particular significance. Therefore, the Government has all along spared no efforts in taking forward various publicity and promotional activities, to enable the public to fully understand that the new district governance system and DCs are crucial to building a better place to live in and work as well as improving people's livelihood. Hence, they are encouraged to vote on the election day for their preferred candidate who will serve the community together. Apart from the conventional and innovative promotional activities already launched, the Government will continue to roll out other different promotional activities. Details of the activities will be announcement at suitable juncture.

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## **LCQ22: Impacts of continued decline in property market**

Following is a question by the Hon Paul Tse and a written reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (November 15):

Question:

According to the Centa-City Leading Index, Hong Kong property prices have started to fall since the end of 2021, and have so far dropped by more than 15 per cent. In addition, the data from the Hong Kong Monetary Authority show that the number of residential mortgage loans in negative equity in Hong Kong exceeded 11 000 at the end of September this year, involving an aggregate value of \$59.3 billion. On the other hand, it has been reported that in recent months, one after another, owners of private flats have been suddenly demanded by banks or finance companies to repay a portion of their mortgage loans early on the grounds that the valuation of their properties has declined, failing which they will be required to pay a mortgage rate of up to 10 per cent; and those who have pledged their commercial properties as collateral for commercial loans from banks have also been pursued by the latter on the same grounds to make up the shortfall between the loan amount and the latest valuation of their properties. Some members of the public are worried about the emergence of "a wave of banks calling in loans" if the property market continues to hit new lows. In this connection, will the Government inform this Council:

(1) whether it has compiled statistics on the current situation where owners of residential properties across the territory are being demanded to make early repayments on mortgage loans by various financial institutions; if so, of the number of cases and the amount involved; if not, whether it will



compile statistics immediately;

(2) whether it is aware of the trend where banks are seeking to recover the shortfall between the loan amount and the latest property valuation from individuals or companies that have pledged their commercial properties as collateral for loans; if so, whether it has compiled statistics on the number of cases and the amount involved;

(3) whether it has formulated corresponding measures to assist owners of residential and commercial properties in tiding over the difficulties in the event of "a wave of banks calling in loans"; and

(4) whether it has assessed if the lowering of the valuations of Hong Kong's residential and commercial properties by local banks or financial institutions will necessitate corresponding downward adjustments of the reserve prices for land by the authorities when putting up new land (whether for residential or commercial use) for auction in the future, thereby further dampening the revenue from land sales?

Reply:

President,

Regarding the four parts of the question, having consulted the Development Bureau and the Hong Kong Monetary Authority (HKMA), my reply is as follows:

(1) Residential mortgage loans are mainly provided by banks. Although the banking sector saw an increase in the number of residential mortgage loans in negative equity during the third quarter of 2023 as property prices fell, the asset quality of banks' residential mortgage lending portfolio has remained sound. In particular, the overall delinquency ratio for residential mortgage loans increased only slightly from 0.04 per cent at the end of December 2021 to 0.07 per cent at the end of September 2023, while the delinquency ratio for residential mortgage loans in negative equity was even lower, standing at 0.02 per cent at the end of September 2023. The above figures are far below their peaks in the past, reflecting that a vast majority of borrowers are able to continue making payments on their mortgage loans.

Based on the HKMA's understanding, even if there is a decline in the value of the properties that are pledged as collateral, banks in general will not request early repayments so long as the borrowers are able to make payments on their residential mortgage loans according to schedule. Given that the delinquency ratio for residential mortgage loans of banks has remained low in recent years, there is no such situation where banks have on an extensive scale demanded repayment from borrowers in arrears with their residential mortgage payments.

(2) The case of mortgage loans for commercial properties is similar to that of residential mortgage loans. For companies which have obtained mortgage loans from banks for commercial properties, as long as they are able to make

payments on the mortgage loans according to schedule, banks in general will not request early repayments from the companies. As for companies that have pledged their commercial properties as collateral for credit lines, banks will review the credit limits periodically, taking into account the companies' credit condition and repayment ability. Banks will not adjust the credit limits simply because of a change in collateral value. If banks need to adjust the credit limits after their reviews, they will notify the customers in advance and communicate with them effectively to provide the customers with sufficient time for preparation.

(3) With the successive rounds of countercyclical macroprudential measures introduced by the HKMA since 2009, banks have long been managing the risks associated with their mortgage business in a prudent manner. The average loan-to-value ratio of new residential mortgage loans was 59 per cent in the first half of 2023, while the average debt servicing ratio of mortgages stayed at a low level of 40 per cent. Borrowers are also subject to the interest rate stress test for mortgage loans. Even though interest rate has increased recently and there has been an adjustment in property prices, the repayment ability of mortgage borrowers remains generally sound and there has not been a widespread default in mortgage loans taken out with banks. The HKMA will continue to monitor market developments closely and introduce appropriate measures to safeguard banking stability.

If there are individual or corporate customers facing actual repayment difficulties, the HKMA expects banks to follow the approach set out in the "Hong Kong Approach to Consumer Debt Difficulties" and "Hong Kong Approach to Corporate Difficulties" guidelines and adopt a sympathetic stance in handling these cases. Banks should work out a mutually acceptable solution with the customers as far as possible, subject to prudent risk-management principles.

(4) As the Financial Secretary has mentioned, the Government has been taking heed of the market conditions in launching sites for sale. Government land is sold at no less than the reserve price. And when setting the reserve price on the tender closing date, apart from the development conditions of the site, Lands Department's professional surveyors would also consider the market situation including recent land and property transactions and construction cost, economic environment, market outlook, etc.