<u>Transport Department releases</u> <u>promotional video for implementation</u> <u>of time-varying tolls at three road</u> <u>harbour crossings</u>

The Transport Department released today (November 1) TV and radio Announcements in the Public Interest (APIs) and online information pack for the implementation of time-varying tolls at the three road harbour crossings (RHCs) (i.e. Cross-Harbour Tunnel, Eastern Harbour Crossing and Western Harbour Crossing) so that members of the public can learn about the specific arrangements for time-varying tolls.

Time-varying tolls will be implemented at the three RHCs from 5am on December 17 (Sunday). The public can view the TV API and browse the online information pack at youtu.be/inx97c1XImY to learn about the specific arrangements for time-varying tolls, including the charging details for different vehicle types, the transition arrangements between different charging time slots, the locations of the new toll information displays and the new toll enquiry function on the "HKeMobility" mobile application, etc.

Details of the time-varying tolls are available on the Transport Department's dedicated webpage (www.td.gov.hk/en/transport_in_hong_kong/tunnels_and_bridges_n/tvt/index.html).

LCQ7: Protection for property purchases outside Hong Kong

Following is a question by Dr the Hon Hoey Simon Lee and a written reply by the Secretary for Housing, Ms Winnie Ho, in the Legislative Council today (November 1):

Question:

It has been reported that, from time to time in recent years, some members of the public have suffered losses when investing in properties outside Hong Kong (POH). On the other hand, the "Purchase of Properties Outside Hong Kong — A Study on Enhancing Consumer Protection", published by the Consumer Council in 2021, has pointed out the inadequacy of consumer

protection for the purchase of POH under the current regulatory framework in Hong Kong and made a number of improvement recommendations. In this connection, will the Government inform this Council:

- (1) of the government departments from which members of the public may currently seek assistance in the event of a dispute over the purchase of POH; the legislation under which these departments regulate the matter and how they follow up on such cases;
- (2) how it will step up public education so that investors and members of the public can understand the risks involved and the matters requiring attention when purchasing POH (particularly uncompleted properties); and
- (3) whether it will undertake public consultation and legislative work on the improvement recommendations made in the aforesaid report; if so, of the details; if not, the reasons for that?

Reply:

President,

Having consulted the Commerce and Economic Development Bureau, the Constitutional and Mainland Affairs Bureau (CMAB), the Financial Services and the Treasury Bureau, the Security Bureau, the Estate Agents Authority (EAA) and the Consumer Council, the consolidated reply to various parts of the question raised by Dr the Hon Hoey Simon Lee is set out below:

(1) According to the Estate Agents (Exemption from Licensing) Order (Cap. 511B), a person shall be exempted from the requirement for obtaining an estate agent's licence if he/she handles exclusively properties outside Hong Kong (POH); and states in all his/her documents (including pamphlets and brochures, etc.) and advertisement that he/she is not licensed to deal with any property situated in Hong Kong. However, if the company or individual concerned also performs estate agency work for properties within Hong Kong, that company/individual is required to obtain a licence issued by the EAA. The EAA had issued a practice circular in December 2017 to provide guidelines to estate agent licensees on the practices and measures to be adopted in handling the sale of uncompleted properties situated outside Hong Kong (UPOH). These practices and measures include, amongst others, due diligence measures and requirement on providing important sales documents. The quidelines have taken effect since April 1, 2018. If a licensed estate agent/salesperson is suspected of breaching the Code of Ethics and the practice circular issued by the EAA in the course of the sale of POH, the public can make complaints to the EAA and the EAA will investigate into the matter. Moreover, practicing estate agency work without a licence or employing unlicensed person to practice estate agency work is a criminal offence. The EAA will refer cases found to the Police for follow-up.

Furthermore, the Police, the Customs and Excise Department (C&ED) and the Securities and Futures Commission (SFC) have all along been conducting investigations and taking enforcement on complaints or cases involving POH

under their respective purview as well. The Police handles requests for assistance involving non-local property investment deception, investigates into whether there have been any breaches of common law or other related offenses under the Crimes Ordinance (Cap. 200) and the Theft Ordinance (Cap. 210); the C&ED handles cases with possible offence under the Trade Descriptions Ordinance (Cap. 362); and the SFC handles complaints which involve collective investment schemes with non-local real estates in accordance with the Securities and Futures Ordinance (Cap. 571).

Separately, one of the main functions of the five Mainland Offices of the HKSAR Government (namely the Beijing Office and the Hong Kong Economic and Trade Offices in Guangdong, Chengdu, Shanghai and Wuhan) is to provide assistance to Hong Kong residents in distress in the Mainland. If the Hong Kong residents seeking assistance would like to lodge complaints or appeals with the Mainland authorities regarding properties in the Mainland, the Mainland Offices will refer their cases to the relevant Mainland authorities as requested. Besides, the Hong Kong Economic and Trade Office in Guangdong has commissioned an organisation to provide free legal advisory service to Hong Kong residents in need through a telephone hotline or by arranging Mainland duty lawyers to meet the assistance seekers to provide preliminary advice on Mainland-related legal matters.

Apart from seeking help from or making complaints to the above departments/organisations, consumers may also consider making complaints to the Consumer Council if they encounter disputes regarding POH. The Consumer Council will act as a mediator to handle consumer complaints and assist consumers and traders in resolving disputes.

(2) Public education is of utmost importance in reducing the chance of consumers from suffering losses in purchasing POH. In this regard, the Housing Bureau has recently launched a set of Announcements in the Public Interest (API) on television (TV) and radio (youtu.be/BwA504n0N9U?si=6ueNX4IqbaLkDkYE) in July this year to promote the message of "Beware of the risks of buying properties outside Hong Kong" to consumers.

The EAA has also been reminding consumers through various media (including the consumer education thematic website: outsidehk.eaa.org.hk) to understand the relevant risks and the issues that they should pay attention to before deciding to purchase POH. The EAA has published a pamphlet entitled "Purchasing Non-local Properties Be SMART" and launched a TV and radio API entitled "Purchasing non-local properties can be risky, be smart and study the details carefully" and a consumer education video entitled "To buy or not to buy off-plan properties outside Hong Kong? Assess the risks before you buy!", as well as has been holding lectures from time to time to remind consumers of relevant risks. The EAA will continue to enhance public education efforts to raise consumer awareness, including further promotion of its slogan. In addition, the Consumer Council has from time to time reminded the public of the risks involved in the purchase of POH, for example, by setting out extracts of complaint cases in the "CHOICE" magazine issued by it and relevant tips on its website.

The CMAB and the five Mainland Offices have also strengthened public education through different channels with a view to enhancing the public's understanding of matters related to property purchase in the Mainland. The measures taken include publishing the "Practical Guide for Hong Kong Residents Living in the Mainland", a booklet on living in the Mainland covering practical information about property purchase; providing a link to the webpage of the EAA containing practical information on the purchase of POH on the CMAB's dedicated website on the Guangdong-Hong Kong-Macao Greater Bay Area, the websites and WeChat public platforms of the Mainland Offices, etc, and releasing the information on property purchase in the Mainland through these websites and public platforms; as well as publishing articles in the "CHOICE" magazine of the Consumer Council to remind citizens of the points to note when purchasing property in the Mainland.

(3) In the study report entitled "Purchase of Properties Outside Hong Kong — A Study on Enhancing Consumer Protection" published by the Consumer Council in 2021, the Consumer Council recommended, among others, the introduction of a cooling-off period for reservation fees (i.e. a fee charged for allowing the purchaser to enjoy exclusive opportunity to buy the favoured property) and the strengthening of the regulation of estate agents and salespersons who engage in the sale of first-hand residential properties outside Hong Kong, as well as the regulation of the provision of relevant information and the content of relevant advertisements.

In considering measures to enhance the protection of buyers of POH, it is vital to understand the roots and nature of the problems encountered by them. According to the EAA, most complaints in relation to POH were originated from the vendors/developers rather than the estate agents. For instance, the vendors/developers ultimately failed to complete the properties concerned as scheduled and failed to fulfill their commitments to pay guaranteed rental returns to buyers, or the property information provided to the estate agents is inaccurate.

As Hong Kong has no control over the property regulatory systems of other jurisdictions, regulating estate agents cannot solve the problems arising from vendors/developers, nor can it effectively reduce the risks borne by Hong Kong buyers. Besides, vendors/developers of POH are free to conduct sales or promotion activities online, by post sent from abroad or through other means without hiring licensed estate agents. Therefore, it is difficult to provide consumers with effective protection by regulating licensed estate agents alone. On the contrary, if we only regulate estate agents who sell POH, consumers may mistakenly believe that they have been provided with comprehensive or sufficient protection and may lose guard in purchasing POH, which may lead to adverse results.

In addition, the above-mentioned EAA practice circular on the sale of UPOH has required estate agent licensees to take all reasonable steps to verify the accuracy of the information contained when preparing advertisements or promotional materials to promote UPOH, and ensure that important information is clearly stated in the advertisements or promotional materials he/she prepares or distributes. These include requiring the licensee to state whether there is a cooling-off period and the length of

cooling-off period (if any) in the sales information of the UPOH for prospective buyers' reference. However, whether there is a cooling-off period and whether the reservation fee is refundable depend on the terms of sale set by developers, the negotiations between the buyer and the vendor, the regulations and systems of the jurisdictions concerned, etc. The EAA will review the relevant guidelines in a timely manner as necessary.

To fundamentally reduce the chance of consumers from losses in the purchase of POH, public education is of paramount importance. The Government, the EAA and the Consumer Council will continue to strengthen relevant work and remind consumers of the relevant risks and matters they should attend to before deciding to purchase POH.

LCQ16: Adopting innovative technologies in building inspections

Following is a question by the Hon Chan Siu-hung and a written reply by the Secretary for Development, Ms Bernadette Linn, in the Legislative Council today (November 1):

Question:

Recently, there have been a number of incidents of fallen concrete or rendering from external walls of buildings in Hong Kong. According to the information of the Buildings Department (BD), as at July this year, about 4 800 buildings have not yet complied with the Mandatory Building Inspection Scheme (MBIS) notices issued by BD. It is learnt that for those buildings which have been served with the MBIS notices but not yet appointed with Registered Inspectors, the BD has already started to identify buildings with potentially higher risks, and has carried out special inspections of the external walls of some of those buildings by using unmanned aircraft systems (UASs) in early August this year. In this connection, will the Government inform this Council:

- (1) whether, in conducting the aforesaid inspections, the BD has adopted innovative technologies such as artificial intelligence (AI) to assist in the identification of defects in external walls, thereby aiding the inspection work; if so, of the details; if not, the reasons for that;
- (2) whether it has formulated technical standards for the adoption of innovative technologies such as AI in conducting building inspections; if so, of the details; if not, whether it will formulate relevant technical standards or guidelines by drawing reference from the practice of the Building and Construction Authority of Singapore in formulating a Technical Reference on the use of UASs and AI to conduct building facade inspections;

(3) whether it knows the application and effectiveness of innovative technologies, such as UASs and AI, used by the architectural and surveying sectors in Hong Kong to conduct building safety inspections; if so, of the details; if not, whether it will gain an understanding from the sectors and assist the sectors in applying innovative technology solutions to upgrade or transform their business processes, so as to accelerate the pace of building safety inspections?

Reply:

President,

The Buildings Department (BD) has all along made use of innovative technologies to assist in enforcement work, including using drones to assist in inspection of dilapidated external walls of buildings, inspection of exterior unauthorised building works and unauthorised site formation works, as well as on-site inspection of emergency incidents at construction sites and buildings.

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

(1) In response to the recent series of incidents of fallen concrete or rendering from external walls of buildings, the Government is adopting a multipronged approach to actively follow up the non-compliant Mandatory Building Inspection Scheme (MBIS) notices, including continuing to collaborate with the Urban Renewal Authority to provide technical and financial support to owners for carrying out building repair, organising district briefings, etc. To better ensure the protection of public safety, starting from August this year, the BD has proactively identified buildings with potentially higher risks (such as older buildings, buildings facing major traffic roads, buildings with reports of dilapidation, "three-nil" buildings, and buildings with balconies/canopies of cantilevered slab structures) among those served with the MBIS notices but have not yet appointed registered inspectors, utilising drones to conduct special surveys with a view to determining the conditions of the external walls and when necessary, arrange emergency works to remove loose concrete or rendering from the external walls. The images and data captured during these surveys could help determining the conditions of the external walls and arrange emergency works, which could also be converted into three dimensional models, further facilitating the BD in assessing the safety conditions of the buildings and undertaking follow up work.

In addition, the BD is collaborating with the University of Hong Kong (HKU) to develop an innovation system that utilises drones, LiDAR technology, artificial intelligence (AI) and other technologies to more effectively and accurately survey and identify defects at external walls of buildings.

(2) and (3) We understand that the industry is positive towards the use of technology to assist in the inspection of external walls of buildings. To

take the lead and act as an advocate, apart from the abovementioned joint research with the HKU, the BD has earlier conducted a pilot project in collaboration with an innovation and technology a company to utilise robotic technology as an imaging tool to capture images of the external drainage system of buildings for the identification of drainage defects through the use of AI. In addition, the BD is developing a defective signboards diagnostic system to enhance the effectiveness of patrols and enforcement. The system makes use of a patrolling vehicle equipped with cameras and LiDAR equipment to carry out surveys in various districts, and analyses the images captured to identify defective signboards with AI technology. The BD has been reviewing the system's effectiveness upon the completion of all trial patrols in May this year.

To promote the wider application of technology by the industry to speed up building inspections and improve building management, the BD recently organised the Building Safety Symposium, where relevant government departments such as the Innovation and Technology Commission (ITC), technology companies and academics were invited to exchange experience and share ideas with the building industry and the property management industry. In addition, the Innovation and Technology Fund operated by the ITC will provide funding support to local enterprises, including architectural and surveying firms, with a view to promoting the application of technology and talent training.

As the adoption of AI for inspection of external walls of buildings is still in the initial stage, the BD will continue to keep in view the development of relevant technologies and accumulate experience in actual application, including the experience of other regions or countries, to prepare for the formulation of relevant technical reference guidelines in the future.

Owner convicted of overcharging subdivided unit tenant for water

An owner was convicted today (November 1) of overcharging her subdivided unit (SDU) tenant for water, in contravention of regulation 47 of the Waterworks Regulations (WWR). She pleaded guilty to two counts of offences at the Kowloon City Magistrates' Courts and was fined \$2,200 for each contravention with a total fine of \$4,400.

The Water Supplies Department (WSD) received a complaint in April 2023 concerning overcharging an SDU tenant for water at a flat on Tai Nan Street, Sham Shui Po, Kowloon. Upon completion of the investigation and evidence collection, the WSD instituted prosecution against the illegal acts of overcharging SDU tenants for water. This is the 13th similar conviction case

since the first conviction in June 2022, with associated fines ranging from \$1,000 to \$5,000.

According to the amended regulation 47 of the WWR, if the registered consumer of the water account (usually the landlord) recovers from the occupants of the premises (usually the tenants) the water charge in a sum exceeding the amount paid to the WSD, the registered consumer shall be guilty of an offence and be liable to a maximum fine of \$10,000.

A WSD spokesman said that the Government is committed to combating illegal acts through an interdepartmental and multipronged approach. In addition to stepping up inspections and streamlining the application procedures for the installation of separate water meters, publicity and education efforts have also been strengthened, with a view to enhancing the deterrent effect in preventing SDU tenants from being overcharged for water by the landlord.

The spokesman mentioned that the WSD has launched a scheme to encourage landlords to apply for installation of separate water meters. Under the scheme, payment of the water fee deposit and the charge for providing a meter for each separate water meter installed will be waived. Every such water meter account will have a separate water bill for paying water charge, and the first 12 cubic metres of water consumed for each four-month period will be free of charge.

While applications for installing separate water meters in SDUs are to be submitted by the landlords, the SDU tenants can also make requests for installations directly to the WSD. The WSD will then approach the landlords concerned for follow-up action and provide appropriate technical support. Details of the scheme can be obtained from the WSD's website (www.wsd.gov.hk/en/customer-services/application-for-water-supply/pilot-scheme-for-installation-of-separate-water-me/index.html).

The WSD encourages the public to report any illegal act of overcharging SDU tenants for water for follow-up and investigation by the department. The public can call the WSD's Hotline 3468 4963 or WhatsApp 5665 5517 to apply for installation of separate water meters for SDUs. The WhatsApp hotline also handles matters relating to water overcharging in SDUs. Alternatively, the public can call the WSD's Customer Enquiry Hotline 2824 5000 to report water overcharge cases. After calling the hotline and choosing a language, they can press "7" for reporting to staff directly.

Flags at half staff

On the notification of the Central People's Government, the National Flag and the Regional Flag of the Hong Kong Special Administrative Region (HKSAR) displayed at the Central Government Offices, Tamar, Government House,

all boundary control and check points of the HKSAR and Hong Kong International Airport will be flown at half staff tomorrow (November 2) as a token of mourning by the HKSAR Government for the late Mr Li Keqiang, former Premier of the State Council.