

FSTB welcomes Cathay Pacific's carbon credits settlement through HKEX's carbon marketplace Core Climate

The Financial Services and the Treasury Bureau (FSTB) today (December 18) welcomes Cathay Pacific Airways Limited's settlement of 50 000 tonnes of voluntary carbon credits, as part of their voluntary carbon offset programme, on the Hong Kong Exchanges and Clearing Limited (HKEX)'s carbon marketplace Core Climate.

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, said, "The transaction showcases how Hong Kong's green finance platform helps businesses achieve sustainability goals through our robust financial market infrastructures, and sets a benchmark example for more transactions to follow. This aligns with the vision of the Chief Executive's 2024 Policy Address in enhancing Hong Kong's green finance ecosystem and highlighting our role as a leading sustainable finance hub in Asia."

He added, "The Government will continue to support and promote co-operation and synergies between the HKEX and its Mainland and international counterparts in building a dynamic and trustworthy carbon marketplace. By enabling access to high-quality carbon credits verified by international standards, and facilitating interaction between local, Mainland and overseas carbon market participants, we aim to further strengthen Hong Kong's leadership in empowering green transition through finance."

The transaction highlights the role of Core Climate in supporting corporates on their climate transition journey, offering trustworthy settlement services to enhance efficiency and mitigate risks. It also reflects Cathay Pacific's commitment to sustainability as a leading airline in Hong Kong, and its efforts in proactively reducing carbon footprint. As the world's only carbon marketplace offering settlement in both Hong Kong dollars and Renminbi for international voluntary carbon credits at present, Core Climate provides businesses with access to quality carbon credits from internationally certified projects and reinforces Hong Kong's position as a leading regional hub for green and sustainable finance.

Besides promoting the development of the carbon marketplace, the FSTB last week published a roadmap on the full adoption of the International Financial Reporting Standards – Sustainability Disclosure Standards (ISSB Standards), leading Hong Kong to be among the first jurisdictions to align its local requirements with the ISSB Standards, reinforcing its leadership in sustainability reporting and disclosure, and furthering the efforts in building a comprehensive green finance ecosystem.

Hong Kong's commitment to carbon neutrality remains steadfast. The Hong Kong Special Administrative Region Government has pledged to achieve carbon

neutrality before 2050 and reduce the city's carbon emissions by 50 per cent before 2035. These ambitious targets, coupled with initiatives like Core Climate and the adoption of international sustainability disclosure standards, position Hong Kong as a leading international green finance centre driving sustainable development in Asia and beyond.

[Inspection of aquatic products imported from Japan](#)

In response to the Japanese Government's plan to discharge nuclear-contaminated water at the Fukushima Nuclear Power Station, the Director of Food and Environmental Hygiene issued a Food Safety Order which prohibits all aquatic products, sea salt and seaweeds originating from the 10 metropolis/prefectures, namely Tokyo, Fukushima, Ibaraki, Miyagi, Chiba, Gunma, Tochigi, Niigata, Nagano and Saitama, from being imported into and supplied in Hong Kong.

For other Japanese aquatic products, sea salt and seaweeds that are not prohibited from being imported into Hong Kong, the Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department will conduct comprehensive radiological tests to verify that the radiation levels of these products do not exceed the guideline levels before they are allowed to be supplied in the market.

As the discharge of nuclear-contaminated water is unprecedented and will continue for 30 years or more, the Government will closely monitor and step up the testing arrangements. Should anomalies be detected, the Government does not preclude further tightening the scope of the import ban.

From noon on December 17 to noon today (December 18), the CFS conducted tests on the radiological levels of 231 food samples imported from Japan, which were of the "aquatic and related products, seaweeds and sea salt" category. No sample was found to have exceeded the safety limit. Details can be found on the CFS's thematic website titled "Control Measures on Foods Imported from Japan" (www.cfs.gov.hk/english/programme/programme_rafs/programme_rafs_fc_01_30_Nuclear_Event_and_Food_Safety.html).

In parallel, the Agriculture, Fisheries and Conservation Department (AFCD) has also tested 50 samples of local catch for radiological levels. All the samples passed the tests. Details can be found on the AFCD's website (www.afcd.gov.hk/english/fisheries/Radiological_testing/Radiological_Test.html).

The Hong Kong Observatory (HKO) has also enhanced the environmental

monitoring of the local waters. No anomaly has been detected so far. For details, please refer to the HKO's website (www.hko.gov.hk/en/radiation/monitoring/seawater.html).

From August 24, 2023, to noon today, the CFS and the AFCD have conducted tests on the radiological levels of 106 091 samples of food imported from Japan (including 68 749 samples of aquatic and related products, seaweeds and sea salt) and 24 016 samples of local catch respectively. All the samples passed the tests.

HA tripartite Chinese Medicine Clinics cum Training and Research Centres to Launch Winter Sanjiu Tianjiu Service

The following is issued on behalf of the Hospital Authority:

The Hospital Authority (HA) announced today (December 18) that the Chinese Medicine Clinics cum Training and Research Centres (CMCTRs) at 18 districts will launch their Winter Sanjiu Tianjiu Service starting from this Friday (December 20). This service is a supporting event of the first Hong Kong Chinese Medicine Culture Festival, offering elderly participants a half-price discount to promote awareness of preventive Chinese medicine practices.

The Chief Manager (Chinese Medicine) of the HA, Ms Rowena Wong, stated, "The 18 CMCTRs actively support government initiatives to promote Chinese medicine development by providing diverse services to the public. With the staunch support from all CMCTRs, the continued provision of Winter Sanjiu Tianjiu services helps familiarise the public with preventive treatment concepts in Chinese medicine and embodies the health-preserving principles of traditional Chinese medicine. With reference to past experience, it is estimated that approximately 30 per cent of service recipients are elderly persons aged 65 or above. Through special promotion of the Chinese Medicine Culture Festival, the initiative aims to encourage the elderly to embrace a healthy lifestyle and improve their awareness of disease prevention."

Tianjiu therapy, based on the traditional Chinese medicine theory of preventive treatment, encompasses both summer "Sanfu Tianjiu" and winter "Sanjiu Tianjiu" treatments. Following the Chinese traditional calendar, these therapies are administered on specific dates in summer and winter to maximise their preventive and therapeutic benefits.

The Chief of Service at the United Christian Nethersole Community Health Service – The Chinese University of Hong Kong CMTCR (Tai Po District), Mr Yung Ting-yiu, explained that Tianjiu therapy has a thousand-year history and

uses the warming effects of pungent and warm herbs to enhance the body's Yang Qi. This treatment particularly benefits individuals with a weak and cold constitution, respiratory conditions, pain, and gastrointestinal issues and helps reduce and prevent the onset of winter diseases. Additionally, Tianjiu treatment also benefits the elderly by enhancing immunity during the winter influenza season. Before treatment, Chinese medicine practitioners will assess patient suitability and then apply the herbal paste on specific acupoints. Patients with diabetes or sensitive skin, pregnant women, children aged under 2, and those with heat syndrome may not be suitable for Tianjiu treatment and should consult a Chinese medicine practitioner before treatment.

Members of the public who are interested in receiving winter Sanjiu Tianjiu treatment can contact any of the 18 CMCTRs for service information and appointments. Eligible elderly persons aged 65 or above can enjoy a half-price discount. The winter Sanjiu Tianjiu service will be available until January 18 next year. For details on the service and booking telephone numbers of the 18 CMCTRs, please refer to the annex or visit the HA CMK website (cmk.ha.org.hk/services/notice/dongjiu2024).

LCQ1: Work of Invest Hong Kong

Following is a question by Dr the Hon So Cheung-wing and a reply by the Secretary for Commerce and Economic Development, Mr Algernon Yau, in the Legislative Council today (December 18):

Question:

There are views pointing out that Invest Hong Kong (InvestHK) plays an important role and has significant responsibilities in the work on attracting enterprises and investments, and it is learnt that InvestHK has been undertaking a number of new projects in recent years, including establishing FamilyOfficeHK, supporting the Office for Attracting Strategic Enterprises, assessing the financial assets and investment of applicants for the New Capital Investment Entrant Scheme, mobilising enterprises to capture opportunities amid the Belt and Road Initiative, participating in the Pan-Greater Bay Area Inward Investment Liaison Group to promote the investment of global priority markets in the Guangdong-Hong Kong-Macao Greater Bay Area, and promoting Hong Kong as a leading destination for entrepreneurship and innovation of start-ups through StartmeupHK. In this connection, will the Government inform this Council:

(1) of the total number of current and new projects undertaken by InvestHK, and the specific responsibilities and contents of such projects; whether it has assessed if the existing manpower of InvestHK is sufficient to cope with the new work, and whether there is a need for additional manpower;

(2) of the division of work between InvestHK and the Hong Kong Trade Development Council in respect of the work on attracting enterprises and investments; and

(3) whether it will consider enhancing the powers and responsibilities of InvestHK and establishing a higher-level structure to better coordinate and enhance Hong Kong's work on attracting enterprises and investments in a comprehensive manner?

Reply:

President,

According to the latest annual survey jointly conducted by Invest Hong Kong (InvestHK) and the Census and Statistics Department, the number of companies in Hong Kong with overseas or Mainland parent companies rose to 9 960 in 2024, reaching a record high. At the same time, the number of start-ups in Hong Kong also increased to a record high of almost 4 700 this year.

As at the first 11 months of this year, InvestHK assisted over 530 Mainland or overseas enterprises to set up or expand their businesses in Hong Kong, representing an increase of over 50 per cent when compared with that in the same period last year. On a pro-rata basis, this figure also well exceeded the performance indicator as set out in the Chief Executive's 2022 Policy Address.

The above positive results fully demonstrate InvestHK's achievements and that Mainland and overseas enterprises continue to have full confidence in Hong Kong despite geopolitical impact. Those enterprises have selected Hong Kong as their base to expand regional businesses in Asia so as to enjoy the commercial values brought by Hong Kong's roles as a "super connector" and a "super value-adder".

After consulting the Financial Services and the Treasury Bureau (FSTB), the Innovation, Technology and Industry Bureau (ITIB), the Constitutional and Mainland Affairs Bureau (CMAB) and the Office for Attracting Strategic Enterprises (OASES), my consolidated response to Dr the Hon So Cheung-wing's question is as follows:

Serving as the first point of contact to overseas and Mainland enterprises, InvestHK's provision of one-stop customised support services to them is of utmost importance. As such, in the course of its investment promotion work, InvestHK fully collaborates with bureaux to promote key measures under their respective policy portfolios, including family office, financial technology (fintech), financial services, sustainability, innovation and technology (I&T), creative industries, talent attraction.

To further enhance the work of attracting investment and proactively compete for enterprises, the current-term Government established OASES in December 2022, shortly after the commencement of its term in July of the same

year. OASES, which is directly under the Financial Secretary (FS), attracts high-potential and representative strategic enterprises from around the globe, particularly those from industries of strategic importance, such as life and health technology, artificial intelligence and data science, fintech, as well as advanced manufacturing and new energy technology. Since the establishment of OASES, InvestHK, including its 17 Dedicated Teams for Attracting Businesses and Talents (Dedicated Teams) in the Mainland and overseas, has been fully collaborating with OASES on the latter's work.

Meanwhile, to further step up co-ordination between bureaux and departments, with the support of the FS, InvestHK set up this year an inter-departmental/agency referral mechanism led by the Director-General of Investment Promotion. By proactively collecting enterprises' concerns and pain points when they plan to establish presence in Hong Kong, InvestHK reflects them to relevant bureaux, departments or agencies accordingly for exploring suitable solutions as appropriate. Since the establishment of the mechanism, various concerns of the enterprises were successfully resolved in the past months, thereby facilitating those enterprises to set up or expand their businesses in Hong Kong.

As regards specific deliverables, InvestHK focuses on assisting the FSTB in investment promotion on fintech and family office fronts and implementing the New Capital Investment Entrant Scheme; assisting the ITIB's investment promotion work on I&T and start-up fronts; co-operating with the CMAB in promoting investment opportunities in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) and taking forward the work of the Pan-Greater Bay Area Inward Investment Liaison Group with the governments of other GBA cities; working with various bureaux to organise large-scale investment promotion activities such as Hong Kong FinTech Week 2024, StartmeupHK Festival 2024, and Wealth for Good in Hong Kong Summit; and providing high value-added supply chain services to Mainland enterprises along with the Hong Kong Trade Development Council (HKTDC). In addition, InvestHK holistically promotes Hong Kong's various unique strengths under "one country, two systems" by consolidating different bureaux' policies and measures that provide convenience to businesses, as well as key national strategies including the National 14th Five-Year Plan, the GBA development and the Belt and Road Initiative.

InvestHK is responsible for promoting inward direct investment to Hong Kong by attracting Mainland and overseas enterprises to set up or expand in the city. It also provides enterprises with one-stop customised support services from the planning to implementation stages. As for the HKTDC, it is responsible for trade promotion as well as facilitating, assisting and developing trade in Hong Kong. Through organising international exhibitions, conferences and business missions, the HKTDC creates business opportunities in the Mainland and international markets for Hong Kong enterprises. Although the two agencies' functions differ, they have been working closely together and are dedicated to promoting Hong Kong as a two-way global investment and business hub, thereby fully leveraging Hong Kong's advantages as a two-way springboard for both Mainland and international businesses.

As announced in the 2024 Policy Address by the Chief Executive, InvestHK

and the HKTDC would commence work to set up a high value-added supply chain services mechanism. To this end, InvestHK and the HKTDC have convened a meeting to jointly attract Mainland enterprises to establish international or regional headquarters in Hong Kong for managing offshore trading and supply chain. They also offer those enterprises in Hong Kong with high value-added supply chain services to assist them to expand business globally to the Association of Southeast Asian Nations and other emerging markets. On one hand, InvestHK will step up its engagement with Mainland enterprises through various kinds of investment promotion activities. On the other, the HKTDC will provide them with professional advisory services and, through its overseas offices, render on-site support services.

As regards manpower, currently InvestHK's head office consists of 184 posts. There are 79 investment promotion posts in the 17 Dedicated Teams in the Mainland and overseas. At present, the department has sufficient resources for meeting its daily work. Review on whether InvestHK's resources are sufficient for coping with new tasks will be conducted from time to time.

I conclude with these remarks, President.

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Wednesday, December 18, 2024 is 107 (down 0.1 against yesterday's index).