

Speech by Permanent Secretary for Financial Services and the Treasury (Financial Services) at Hong Kong Institute of Directors Annual Dinner cum Award Ceremony for Director Excellence 2024 (English only) (with photos)

Following is the speech by the Permanent Secretary for Financial Services and the Treasury (Financial Services), Ms Salina Yan, at the Hong Kong Institute of Directors Annual Dinner cum Award Ceremony for Director Excellence 2024 today (November 28):

Dr Christopher To (Chairman of the Hong Kong Institute of Directors), 譚國強 (Director-General of the Economic Affairs Department of the Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region, Mr Xu Weigang), Dr Kelvin Wong (Chairman of the Securities and Futures Commission), Dr Moses Cheng (Founder Chairman of the Hong Kong Institute of Directors), distinguished guests, ladies and gentlemen,

Good evening. It is my great pleasure to join you all today to celebrate the anniversary of the Hong Kong Institute of Directors (HKIoD) and to congratulate the winners of this year's Awards for Director Excellence.

For 27 years, the HKIoD has played an important role in anchoring Hong Kong's position as a leading international financial centre through its unwavering commitment to promoting excellence in corporate governance and director professionalism. The Institute has made significant strides in fostering a culture of robust governance which is indispensable for earning the trust of clients, investors, business partners and stakeholders in growing a business or an entity and making it strong and prosperous over time. As the Institute's Statement of Definition for Corporate Governance points out, the board of directors of a company is ultimately responsible for corporate governance and making strategic decisions that determine the company's prosperity and integrity. I would add that a company's prosperity and integrity can contribute to the overall economic and social development of a community as well. The core values of a company and those of the society can find alignment through good corporate governance.

The Directors of the Year Awards, launched in 2001, give due recognition of exemplary boards and directors who set benchmarks for good governance practices. The theme of this year's Awards, "Leading with Agility in an Era of Innovation," resonates deeply the world's fast-paced development and the

HKSAR (Hong Kong Special Administrative Region) Government's policy emphasis on innovation and technology. Rapid technological advancements not only demand, but can help provide, new and modern approaches for delivering corporate governance.

In this connection, apart from issuing policy statements on the new technological frontier of virtual assets enabled by blockchain ledger and exponential opportunities enabled by artificial intelligence, the Financial Services and the Treasury Bureau has also made considerable progress in modernising our company law, the vehicle that provides the legal basis for the operation of our companies.

Last year, with the endorsement of the Legislative Council, we amended the Companies Ordinance to enable companies to hold virtual or hybrid general meetings, in addition to meetings in physical locations. This change is essential for businesses to hold meetings despite unexpected circumstances such as the pandemic, thus ensuring that corporate affairs can still be handled in challenging times.

To better leverage the opportunities and convenience offered by the digital economy, we will soon introduce another set of legislative proposals to amend the Companies Ordinance so that Hong Kong companies can adopt an implied consent mechanism for disseminating corporate communications via websites. This change will alleviate companies' administrative burden, streamline the communication process and enhance operational efficiency. The same bill will also make possible a treasury regime that allows listed companies greater flexibility in managing their capital through share buy-backs, holding bought-back shares in treasury without cancelling the shares, while safeguarding shareholder interests through prior approvals and repurchase moratoriums.

Ultimately, we are moving to an uncertificated or paperless securities market regime. We have already provided for the overall framework in the law and will introduce the detailed rules on the operation next year. When this is done, the whole process from IPO to any subsequent change of share ownership can be done digitally.

Apart from being a conduit, innovation and technology (I&T) is also a catalyst for change in our capital markets. Together with the Hong Kong Exchanges and Clearing Limited (HKEX) and the Securities and Futures Commission, we have taken steps to ensure that our listing platform is adequately modernised to cater for the funding needs of I&T companies. Hence, apart from pre-profit bio-tech companies, HKEX has updated the listing rules to welcome in specialist tech companies, and under the revamped GEM board, companies not reaching the pre-requisite cash flow but with substantial research component can also be admitted. The result has been very encouraging. Since the listing reforms in 2018, more than 300 companies listed in the Stock Exchange belong to the new economy.

Technological advancements have certainly enhanced our ability to cope with working under severe weather conditions. Remote working arrangements, online banking and securities services are crucial in facilitating trading

and clearing. To improve the efficiency of our listing platform, maintain mutual market access channels with other securities markets, including markets in the Mainland, and enhance our competitiveness, we have taken a big step forward in maintaining normal trading operation under severe local weather conditions since September 23. To make this happen, the stock exchange, market participants, banks and other associated service providers have worked hard to create a practical work plan that allows trading, clearing, investing and fund transfers to continue under inclement weather conditions.

I am happy to say that our market operated smoothly on the first trading day under the severe weather test when typhoon no. 8 signal was hoisted two weeks ago. This is a good demonstration of our commitment to enhancing our market infrastructure and raising our competitiveness leveraging technology and innovation.

Talking about severe or unusual weather, I note that a new Climate Governance Award is added this year to recognise outstanding achievements by directors and boards in advancing climate governance. This follows HKIoD's move in hosting the Climate Governance Initiative Hong Kong Chapter, which is part of the global initiative to mobilise and equip directors in taking climate change related decisions and organising various capacity building programmes and forums on climate change for directors.

In strong like-mindedness with HKIoD, the Government has placed climate change and sustainability at the heart of our green finance policy formulation.

Since 2020, HKEX has laid down requirements in the ESG (environmental, social and governance) Reporting Guide for listed companies to disclose their boards' oversight and governance of ESG issues, ESG management approach and strategy, and how the boards review progress against ESG-related goals.

In April this year, HKEX introduced enhanced climate-related disclosure requirements developed based on IFRS (International Financial Reporting Standards) S2 Climate-related Disclosures, which will take effect in phases starting January next year, serving as the first step to prepare listed companies towards eventual sustainability reporting in accordance with the Hong Kong Sustainability Reporting Standards.

As an international financial centre, we are taking a big step forward toward aligning local practices with global requirements. In March, the Government issued a statement outlining our vision and approach to develop a comprehensive ecosystem for sustainability disclosure, aligning with the International Financial Reporting Standards – Sustainability Disclosure Standards or ISSB Standards. As foreshadowed in the Chief Executive's 2024 Policy Address, we will soon publish a roadmap on the concrete steps to take to fully adopt ISSB Standards in Hong Kong, leading Hong Kong to be among the first jurisdictions to align its local requirements with ISSB Standards.

Ladies and gentlemen, Vice Premier He Lifeng (Vice Premier of the State Council), in his speech delivered at the Global Financial Leaders' Investment

Summit held in Hong Kong last week, offered three valuable suggestions on enhancing Hong Kong's financial development and consolidating our position as an international financial and business centre. These are, to recap, deepening reforms and continuing to innovate to enhance our competitiveness; expanding the network of co-operation and continuing our path of opening up and engagement with international markets; and leveraging our plans with national development strategies in strengthening Hong Kong's gateway and hub positions.

These policy insights are most relevant for us in navigating a changing world. Under "One Country, Two Systems", Hong Kong attaches the highest level of importance in maintaining the integrity and robustness of our financial systems. We walk our talks. HKIoD has been a strong thought leader and practical training provider of corporate governance for the public and private sectors as well as not-for-profit organisations. We look forward to our continued partnership with the HKIoD in strengthening the different pillars of corporate governance to further strengthen Hong Kong's role as an international financial and commercial centre.

As the festive season and new year are around the corner, I wish you all happiness, good health, and success in the year ahead. Thank you.



[Government approves shareholding change for Kai Tak Sports Park Limited](#)

The Culture, Sports and Tourism Bureau (CSTB) today (November 28) announced that it has approved the sale of New World Development Company Limited (NWD)'s shareholding in Kai Tak Sports Park Limited (KTSP) to Chow Tai Fook Enterprises Limited (CTFE).

In September this year, KTSP applied to the Government regarding NWD's intention to sell its shareholding in KTSP to CTFE. Having considered the information submitted by KTSP, the CSTB decided to approve the application

for the relevant shareholding change. CTFE has assured the Government of its commitment to dedicating resources to ensure the smooth construction progress of the Kai Tak Sports Park (KTSP) and to take forward the operation of the KTSP in partnership with the Government.

Opening in the first quarter of 2025, the KTSP is the largest sports infrastructure project ever commissioned in Hong Kong. The KTSP is funded by the Government and adopts a "Design, Build and Operate" model, with KTSPL responsible for its design, construction, and future operation. The aforementioned shareholding change must be approved by the Government in accordance with the contract between the Government and KTSPL.

[ACAN welcomes law enforcement agencies' crackdown on "space oil"-related crimes](#)

The following is issued on behalf of the Action Committee Against Narcotics:

With regard to public concerns over youngsters abusing an emerging drug called "space oil", the Chairman of the Action Committee Against Narcotics (ACAN), Dr Donald Li, said today (November 28) that the ACAN supports the Government's proposal of amending the Dangerous Drugs Ordinance for stepping up the control of etomidate at the earliest opportunity. Etomidate is the main active ingredient of "space oil". The ACAN also welcomes crackdown by the law enforcement agencies (LEAs) on "space oil"-related crimes.

Dr Li said, "I noticed that in recent months, the LEAs have been taking a series of actions targeting 'space oil'. During these actions, the LEAs successfully seized a considerable amount of 'space oil' as well as etomidate, and made multiple arrests. These results not only reflect the LEAs' determination and ability to combat 'space oil'-related crimes but also send a clear message to offenders, especially drug traffickers, that any individuals committing 'space oil'-related crimes will never be able to escape from legal sanctions.

"I appreciate the efforts of the LEAs in combating 'space oil'-related crimes. For the sake of protecting the public from the harms of this emerging drug, the ACAN supports continuing efforts by the LEAs to bring offenders committing 'space oil'-related crimes to justice."

A spokesman for the Security Bureau said, "Legislation and Law Enforcement forms an important part of the Government's multipronged anti-drug strategy. The Government will strive to continue combating 'space oil'

at source with a view to cutting off its supply."

The spokesman continued that the LEAs have stepped up various inspections including cyber patrols and have carried out intelligence-based law enforcement actions targetting "space oil". For example, the Customs and Excise Department launched a series of anti-"space oil" operations in November and uncovered nine cases of possession of etomidate. A total of 191 alleged "space oil" infused capsules, and 16 kilograms of alleged etomidate powder that can be used to produce about 48 000 "space oil" infused capsules, were seized. In addition, the Police uncovered 88 "space oil"-related cases and made 132 arrests in the first 10 months of this year.

The spokesman reminded members of the public not to take chances and illegally bring "space oil" into and out of Hong Kong, as well as illegally bring e-liquid into Hong Kong. Offenders are liable to imprisonment upon conviction.

In October this year, the Chief Executive stated in the Supplement to his Policy Address that measures will be proposed to step up the control of etomidate in view of its abuses. In this regard, the Government has already proposed bringing etomidate under tighter control through legislation. Dr Li said, "I fully concur with the Government's proposal to control etomidate under the Dangerous Drugs Ordinance; this will deter people from abusing 'space oil', and more severe punishment can be imposed on drug traffickers. The ACAN supports the Government to complete the relevant legislative procedures at the earliest opportunity."

Preventive education and publicity is important in reducing the demand for drugs. The Chairman of the Subcommittee on Preventive Education and Publicity of the ACAN, Mr Chan Wing-kin, said the ACAN will continue to work with the Government and stakeholders in the anti-drug sector to dispel the misconceptions about "space oil" with a view to preventing the public, especially youngsters, from falling into the trap of this emerging drug unwittingly. He added that the abovementioned work will include briefing teaching staff of schools on techniques for identifying those who abuse "space oil" or other drugs, as well as how to improve the capabilities of frontline workers for handling "space oil" cases.

Mr Chan said, "As a former school principal, I would like to call on colleagues in the education sector to be more vigilant against the vaping of alternative smoking products among students, as this behaviour could be a sign of drug abuse.

"Support and encouragement from family members, teachers and friends have always been the buttress of young people in times when they are fighting against drug temptation. I urge that we should show care to those around us and maintain good communication with them. If we find that people around us are facing difficulties or even suffering from drug abuse, we should lend them a helping hand and encourage them to seek professional help. I also hope that schools can step up their efforts in promoting a healthy lifestyle and fostering a drug-free culture among students."

Those who need assistance from professional social workers or would like to receive more information about "space oil" can message 98 186 186 on instant messaging applications WhatsApp and WeChat, or call the 24-hour hotline 186 186. "Space oil" abusers may also seek assistance from organisations providing drug treatment and rehabilitation services. Their contact details have been uploaded onto this Narcotics Division (ND)'s webpage

(www.nd.gov.hk/en/list_of_major_organisations_providing_drug_treatment_and_rehabilitation_services.html).

In addition, members of the public are welcome to visit the ND's dedicated webpage (www.nd.gov.hk/en/space_oil.html) about "space oil", which contains a "space oil"-themed animated video and other relevant information.

[InvestHK and GBA Office jointly hold seminars in Melbourne to encourage local businesses to tap into GBA opportunities via Hong Kong \(with photos\)](#)

Invest Hong Kong (InvestHK) and the Guangdong-Hong Kong-Macao Greater Bay Area Development Office (GBA Office) hosted three business seminars in Melbourne, Australia, yesterday and today (November 27 and 28) to jointly encourage Australian companies to tap into business opportunities in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) through Hong Kong. These seminars attracted an attendance of around 140 representatives from Australian companies and the local business community.

These seminars were co-organised with the Australian Trade and Logistics Corporation, the Australia China Business Council Victorian division, and the Hong Kong Australian Business Association (Victoria Chapter), respectively. The Acting Director of the Hong Kong Economic and Trade Office, Sydney, Mr Timothy Chau, delivered opening remarks in the first two seminars. Assistant Commissioner for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area Miss Cathy Li delivered keynote addresses at all the three seminars to introduce to participating enterprises the latest developments of the GBA and the distinctive advantages and business opportunities of Hong Kong as the GBA's international entry point, followed by keynote addresses delivered by Associate Director-General of Investment Promotion at InvestHK Mr Charles Ng. Mr Ng also joined the panel discussions with other speakers in the first two seminars. A representative from the Shenzhen Economic and Trade Office in

Australia, Mr Tim Lee, was invited to speak at the last seminar.

Addressing the audiences, Mr Chau said, "As an international financial centre and innovation and technology hub, Hong Kong plays a pivotal role in connecting global businesses with the GBA. The Hong Kong Economic and Trade Office, Sydney will continue to work closely with InvestHK and the GBA Office to promote the business opportunities in the GBA and enable Australian businesses to tap into the huge GBA market via Hong Kong."

Miss Li said, "Under the 'one country, two systems' principle, Hong Kong serves as a 'super-connector' and a 'super value-adder' between the Mainland and the global markets. Hong Kong remains the best gateway for overseas companies to tap into the GBA and the wider Mainland market, and for Mainland firms to go global. No other city can match Hong Kong's level of sophistication of connectivity with the Mainland and global markets. The GBA development has entered a new phase characterised by a higher speed and a broader scope of development. The Hong Kong Special Administrative Region Government will continue to sharpen Hong Kong's unique edges, and seek further policy innovation and breakthrough together with Guangdong and Macao, with a view to further enhancing the flow of people, goods, capital and information within the GBA, and creating new opportunities for foreign enterprises in Hong Kong to access the GBA market."

Delivering his keynote address, Mr Ng said, "Hong Kong is the most international city in the GBA and a leading financial, shipping and trade centre, making it an important gateway for Australian companies to access the GBA. There are many ways for them to tap GBA opportunities in and via Hong Kong. For instance, companies can set up research and development operations in Hong Kong, and manufacturing and distribution operations in Mainland GBA cities. They can use Hong Kong as a trading and supply chain hub to export goods to ASEAN markets and beyond. Companies can also gain access to different financing channels and pool of international talent in Hong Kong. We hope the seminars have provided Australian companies fruitful and practical information on how to expand into the GBA via Hong Kong."





CFS continues to follow up on imported cheese with possible bacteria contamination

The Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department today (November 28) said that subsequent to an earlier announcement that a kind of cheese imported from France might have been contaminated with *Yersinia enterocolitica*, a follow-up investigation showed that another batch of the affected product has also been imported to Hong Kong. The CFS urged the public not to consume the product concerned, regardless of batches. The trade should stop using or selling the affected product immediately if they possess any of it.

Product details are as follows:

Product name: Mont d'Or Fruitiere des Jarrons Cheese
 Brand: Fruitiere des Jarrons
 Place of origin: France
 Importer: Noja Fine Trade Limited

A spokesman for the CFS said, "The CFS noted a notification from the

French authorities that the above-mentioned batch of product might have been contaminated with *Yersinia enterocolitica* and is being recalled. A preliminary investigation found that the above-mentioned importer had imported into Hong Kong the affected batch of the product."

The importer concerned has stopped sales, removed from shelves the affected product upon the CFS's instructions and has initiated a recall. Members of the public may call the hotline of the importer at 2178 2229 during office hours for enquiries.

"*Yersinia enterocolitica* can cause Yersiniosis, which is characterised by common symptoms of gastroenteritis such as fever, diarrhoea (often bloody in young children) and abdominal pain. The bacterium is usually acquired by eating or drinking contaminated food, including undercooked meat, unpasteurised milk products or contaminated water. Anyone can get Yersiniosis, but young children, the elderly, and people with weak immune systems are at a higher risk," the spokesman said.

The CFS will continue to follow up, closely liaise with the French authorities and take appropriate action. An investigation is ongoing.