

HKMA, HKIMR and HKUST co-organise the International Conference on Central Bank Digital Currencies and Payment Systems (with photos)

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA), the Hong Kong Institute for Monetary and Financial Research (HKIMR) (the research arm of the Hong Kong Academy of Finance), and the Hong Kong University of Science and Technology (HKUST) today (April 11) successfully co-organised the International Conference on Central Bank Digital Currencies (CBDCs) and Payment Systems. The conference was attended by over 100 representatives from central banks, international bodies, academia, financial institutions and fintech firms.

The conference kicked off with keynote speeches by the Chief Executive of the HKMA, Mr Eddie Yue, and the Deputy Director of the Monetary and Capital Markets Department of the International Monetary Fund, Dr Dong He. Edwards S. Sanford Professor of Princeton University and the Director of Princeton's Bendheim Center for Finance, Professor Markus Brunnermeier, also delivered a keynote speech for the afternoon session.

During the policy-oriented panel discussions and academic presentations, distinguished speakers from central banks, international bodies and academia shared their views on the latest developments pertaining to CBDCs and digital payments. Topics covered included the role of CBDCs in underpinning monetary policy, the co-existence of private and public money and their interplay in terms of interoperability, functionality and applications, and the future financial landscape with the rise of digital money.

Mr Yue said, "This conference has been an excellent opportunity to garner the insights of leading experts to holistically develop a vision for the future of money, and to align key stakeholders in establishing a strong foundation for the next frontier of financial innovation. As a regulator, we will continue to be open-minded, responsive and prudent as part of upholding Hong Kong's position as a leading financial centre."



Approval for second round of application under Labour Importation Scheme for Transport Sector – Aviation Industry completed

The approval process for the second round of applications under the Labour Importation Scheme for the Transport Sector – Aviation Industry has been completed. The Transport and Logistics Bureau (TLB) issued letters today (April 11) to all applicants on the application results.

The application period for the second round of application under the Scheme was from March 13 to 26. A total of 27 companies eligible for quota application (eligible companies) submitted applications within the period, involving 3 035 labour importation quotas covering all 10 job types under the Scheme. After assessment by an interdepartmental liaison group comprising representatives from the TLB, the Labour Department and the Airport Authority Hong Kong (AAHK), the Permanent Secretary for Transport and Logistics approved the applications from 27 companies involving a total of 2 982 quotas. Among the applications, a few were not approved in full as they failed to meet one of the following basic requirements of the Scheme:

- i. The job for which quotas are applied must fall into one of the 10 specified job types under the Scheme;
- ii. The number of quotas applied for must be within the limit under the manning ratio requirement of full-time local staff and imported labour; and
- iii. An applicant must have conducted local recruitment for the jobs for which quotas are applied.

The results with a breakdown by job type of the second round of application are in the Annex.

In addition, when rolling out the Scheme, the Government announced that the AAHK would co-ordinate the funds contributed by the employers and the AAHK for each imported worker to subsidise the transport fares of local frontline airport staff. The TLB and the AAHK have consulted the stakeholder consultative group under the Scheme on the design of the transport subsidy, and had the support of both the employer and labour representatives. The AAHK will implement the transport subsidy starting from May this year, with a monthly budget of about \$5 million. Eligible recipients of the transport subsidy must be local airport frontline staff employed by eligible companies and engage in the 10 job types for which labour importation is allowed under the Scheme. The fares of public transportation incurred by the relevant staff for commuting to and from the airport for work paid by a designated Octopus Card (eligible public transport expenses) are covered for the calculation of the subsidy. If an eligible employee's eligible public transport expenses for a certain month exceed \$400, the eligible employee will receive a subsidy in an amount of one-third of the expenses in excess of \$400, subject to a ceiling of \$400 per month. Where the calculated amount of subsidy is less than \$100 for that month, a minimum subsidy of \$100 will be disbursed. Details can be found on the AAHK's dedicated webpage (opsportal.hongkongairport.com/SitePages/10%20-%20A0FP/EN/TransportSubsidyScheme.aspx).

The TLB and the AAHK will continue to engage in regular meetings with the stakeholder consultative group to listen to the views of stakeholders on the Scheme, including meeting with the representatives of labour unions of the consultative group this morning on the approval results and details of the transport subsidy. The TLB and the AAHK will continue to enhance information dissemination through the consultative group in order to

facilitate the smooth implementation and execution of the Scheme.

The TLB will announce the details of the third round of application under the Scheme in due course.

Premised on safeguarding the employment of local labour, the Scheme was introduced in July last year to allow the aviation industry to suitably import labour with a view to relieving the acute manpower shortage and supporting the continual recovery of Hong Kong's aviation industry. A total of 2 841 quotas were approved in August last year under the first round of the Scheme. So far, more than 1 300 imported workers have arrived to work in Hong Kong.

High Court upholds jail sentence for estate agent convicted of contravening Residential Properties (First-hand Sales) Ordinance

The Sales of First-hand Residential Properties Authority (SRPA) stated that the appeal by an estate agent against a two-month jail sentence for contravening the Residential Properties (First-hand Sales) Ordinance was dismissed by the High Court today (April 11). The estate agent was jailed immediately.

The estate agent was convicted by Kwun Tong Magistrates' Courts on April 14, 2023, and was sentenced to two months' immediate imprisonment for each offence, to be served concurrently. He disseminated a piece of information concerning the ceiling height of a specified residential property, on December 6 and 8, 2019, respectively, which is false or misleading and likely to induce another person to purchase a specified residential property. This contravenes section 78 of the Ordinance. The appellant appealed to the High Court against the sentence.

A spokesman for the SRPA welcomes the verdict and reminds estate agents to familiarise themselves with the Ordinance, provide correct information to prospective purchasers and comply with good selling practices.

This is the first conviction of an estate agent since the Ordinance came into force on April 29, 2013. Details of the case have been uploaded onto the SRPA's website at www.srpa.gov.hk/en/prosecution-cases.html for public inspection.

Monthly gravidtrap index for Aedes albopictus mosquitoes of March remains at lowest level

The Food and Environmental Hygiene Department (FEHD) today (April 11) announced that the monthly gravidtrap index for Aedes albopictus mosquitoes in March was 0.3 per cent. The index in March remained at the lowest Level 1, indicating that the distribution of Aedes albopictus mosquitoes in the areas surveyed was not extensive.

All the 64 survey areas were recorded with a gravidtrap index lower than the alert level of 20 per cent. Moreover, the monthly density index for Aedes albopictus in March was 1, which represented that an average of one Aedes albopictus adult was found in the Aedes-positive gravidtraps, indicating that the number of adult Aedes albopictus was not abundant in the survey areas. The gravidtrap and density indices for Aedes albopictus in different survey areas as well as information on mosquito prevention and control measures are available on the department website at www.fehd.gov.hk.

A spokesman for the FEHD said, "The Government has all along been concerned about mosquito infestation. The FEHD has continued to intensify the mosquito prevention and control work with relevant government departments in areas under their purview, including eliminating mosquito breeding places, applying larvicides, conducting fogging operations to eradicate adult mosquitoes, and placing mosquito trapping devices at suitable locations. The FEHD has also conducted site inspections with relevant departments, and provided them with professional advice and technical support to assist them in formulating and implementing effective anti-mosquito measures swiftly. At the same time, the FEHD has strengthened publicity and education. Under the concerted efforts and collaboration of various parties, the index in March remained at a low level. However, the warm and humid weather of spring is favourable for mosquito breeding. The FEHD will continue to monitor the mosquito infestation in all districts, and will conduct prompt and effective mosquito prevention and control work. At the same time, members of the public are advised to continue the routine mosquito prevention and control work, especially the repair and maintenance of structures. Cracks and dents which may accumulate water and become potential breeding grounds should be filled and levelled so as to reduce the chance of mosquito breeding when the rainy season approaches."

â€‹The FEHD will conduct a three-phase Anti-mosquito Campaign this year. The second phase of the territory-wide campaign will be launched on April 15 and will run until June 16. During the period, the district offices of the FEHD will target areas that have drawn particular concern, such as public markets, cooked food centres and hawker bazaars, single-block buildings,

streets and back lanes, common parts of buildings, village houses, construction sites, vacant sites and road works sites, to remove accumulated water and carry out mosquito prevention and control work. To further enhance the effectiveness of mosquito control, the FEHD and relevant government departments have carried out phase one of the All-out Anti-mosquito Operations from March 26 to focus on eliminating potential mosquito breeding places, and called on property managements to arrange necessary repairs to their premises so as to minimise mosquito breeding places before the breeding season. Furthermore, intense adult control will follow by means of regular ultra-low volume fogging operations in the rainy season.

The FEHD appeals to members of the public to work together to carry out mosquito prevention and control measures early, including inspecting their homes and surroundings to remove potential breeding grounds, changing water in vases and scrubbing their inner surfaces, removing water in saucers under potted plants at least once a week, properly disposing of containers such as soft drink cans and lunch boxes, and drilling large holes in unused tyres. The FEHD also advises members of the public and estate management bodies to keep drains free of blockage and level all defective ground surfaces to prevent the accumulation of water. They should also scrub all drains and surface sewers with an alkaline detergent at least once a week to remove any mosquito eggs.

Aedes albopictus is a kind of mosquito that can transmit dengue fever (DF). DF is commonly found in tropical and subtropical regions of the world, and has become endemic in many countries in Southeast Asia. The dengue activity in neighbouring areas has remained high and Hong Kong has recorded 12 imported DF cases so far this year. Members of the public should stay vigilant and continue to carry out effective mosquito prevention and control measures.

Results of monthly survey on business situation of small and medium-sized enterprises for March 2024

The Census and Statistics Department (C&SD) released today (April 11) the results of the Monthly Survey on Business Situation of Small and Medium-sized Enterprises (SMEs) for March 2024.

The current diffusion index (DI) on business receipts amongst SMEs increased from 43.9 in February 2024 in the contractionary zone to 45.5 in March 2024, whereas the one-month's ahead (i.e. April 2024) outlook DI on business receipts was 48.0. Analysed by sector, the current DIs on business receipts for many surveyed sectors rose by varying degrees in March 2024 as

compared with previous month, particularly for the real estate (from 44.5 to 48.4) and import and export trades (from 43.8 to 47.4).

The current DI on new orders for the import and export trades increased from 43.8 in February 2024 to 47.4 in March 2024, whereas the outlook DI on new orders in one month's time (i.e. April 2024) was 48.1.

Commentary

A Government spokesman said that overall business sentiment among SMEs and their expectations on the business situation in one month's time showed further improvement in March. The overall employment situation also turned better.

The spokesman added that while the complicated external environment will still affect business sentiment in the near term, continued economic growth and the expectation that financial conditions would show some easing later in the year should bring some support. The Government will monitor the situation closely.

Further information

The Monthly Survey on Business Situation of Small and Medium-sized Enterprises aims to provide a quick reference, with minimum time lag, for assessing the short-term business situation faced by SMEs. SMEs covered in this survey refer to establishments with fewer than 50 persons engaged. Respondents were asked to exclude seasonal fluctuations in reporting their views. Based on the views collected from the survey, a set of diffusion indices (including current and outlook diffusion indices) is compiled. A reading above 50 indicates that the business condition is generally favourable, whereas that below 50 indicates otherwise. As for statistics on the business prospects of prominent establishments in Hong Kong, users may refer to the publication entitled "Report on Quarterly Business Tendency Survey" released by the C&SD.

The results of the survey should be interpreted with care. The survey solicits feedback from a panel sample of about 600 SMEs each month and the survey findings are thus subject to sample size constraint. Views collected from the survey refer only to those of respondents on their own establishments rather than those on the respective sectors they are engaged in. Besides, in this type of opinion survey on expected business situation, the views collected in the survey are affected by the events in the community occurring around the time of enumeration, and it is difficult to establish precisely the extent to which respondents' perception of the business situation accords with the underlying trends. For this survey, main bulk of the data were collected around the last week of the reference month.

More detailed statistics are given in the "Report on Monthly Survey on the Business Situation of Small and Medium-sized Enterprises". Users can browse and download the publication at the website of the C&SD (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1080015&scode=300).

Users who have enquiries about the survey results may contact Industrial Production Statistics Section of the C&SD (Tel: 3903 7246; email: sme-survey@censtatd.gov.hk).