

## LCQ7: External secondment and exchange of public servants

Following is a question by the Hon Sunny Tan and a written reply by the Secretary for the Civil Service, Mrs Ingrid Yeung, in the Legislative Council today (July 10):

Question:

Regarding the external secondment and exchange of public servants, will the Government inform this Council:

(1) as it is learnt that some Asian countries such as Singapore and Japan have put in place mechanisms whereby civil servants are seconded to work in public organisations and quasi-government organisations for a period of time, so that the civil servants can have a better grasp of the frontline work of these organisations, policy implementation and public opinion, whether the Government has put in place a mechanism for external secondment of civil servants to take up temporary positions in public organisations, statutory bodies and quasi-government organisations; if so, of the specific details and examples; if not, whether it will study the establishment of such mechanism for external secondment of civil servants to public organisations, statutory bodies or quasi-government organisations within the scope of their work (e.g. the Hospital Authority, the MTR Corporation Limited, post-secondary education institutions, research and development centres and scientific research institutions, as well as social welfare organisations), so that the work of civil servants will be more down-to-earth, feel the pulse of society and connect with people's real lives; and

(2) given that as indicated in the paper submitted by the Government to the Panel on Public Service of this Council in April this year, the Civil Service Bureau jointly organised a civil service staff exchange programme with the Mainland cities of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) last year, and with the first phase of the exchange programme having been completed earlier, the authorities will consolidate the experience gained and discuss the arrangements for the next phase of the programme with the receiving units in Guangdong Province and Shenzhen Municipality, while at the same time the authorities are also actively preparing for exchange programmes with other Mainland cities beyond the GBA, of the details and progress of the preparatory work for the next phase of the exchange programme, and what further measures will be taken in the future to enable more civil servants to enhance their understanding of the systems, policies and government operations in the Mainland, so as to deepen co-operation between Hong Kong and the Mainland in the future?

Reply:

President,

The Government places a high priority on communication and interaction between civil servants and citizens, seeking to understand the citizens' actual living conditions and public sentiment. In addition, as Hong Kong is an international city with an externally-oriented economy, we emphasise cultivating international perspectives in civil servants. To this end, we encourage civil servants from all departments to reach out to the community and various sectors to gain first-hand understanding of social issues and the operation of various sectors. In terms of civil service training, the Government organises a variety of training and exchange activities for civil servants to broaden their horizons and exposure, as well as enhance their overall abilities, so as to continuously improve the quality of public services.

The Government's consolidated reply to the two parts of the question is as follows:

The Civil Service College of the Civil Service Bureau (CSB) arranges for promising departmental officers to attach to policy bureaux for a period of six months, acquiring hands-on experience in handling different areas of policy work, including handling of Legislative Council business, assisting with public consultations and policy promotion, co-ordinating the work of taskforces. The Secretariat Attachment Scheme helps enhance departmental officers' understanding of policy implementation outside of their own professions, provides more opportunities for them to engage with different sectors of the community, and fosters a culture of mutual learning and collaboration in the civil service.

To further widen the exposure of civil servants, various departments collaborate with international organisations to second civil servants to work in the relevant organisations (e.g. the International Criminal Police Organization, the United Nations Commission On International Trade Law Secretariat, the Financial Action Task Force Secretariat, the Asia-Pacific Economic Cooperation Secretariat, etc) for a limited period of time in order to facilitate exchanges and collaboration between the two sides, and cultivate an international perspective in the civil service.

With the support of the Central People's Government and the Office of the Commissioner of the Ministry of Foreign Affairs in the Hong Kong Special Administrative Region (HKSAR), the first two batches comprising 17 young public officers have been recommended by the Ministry of Foreign Affairs to participate in the United Nations (UN) Junior Professional Officer Programme as Chinese personnel and work in the UN headquarters or its affiliated bodies (e.g. the UN Secretariat, the UN Environment Programme, the UN Conference on Trade and Development, the World Intellectual Property Organization and the UN Economic Commission for Europe, etc). We will continue to explore opportunities for our civil servants to enrich their experience in the international arena, give play to their strengths, tell good stories of Hong Kong and contribute to the country.

In terms of fostering exchange and collaboration with civil servants

from the Mainland, since 2002, the CSB has organised the Civil Service Staff Exchange Programme jointly with a number of Mainland municipalities. Under the programme, officers from Hong Kong and the Mainland are attached to each other's side to share experience and expertise so as to better understand each other's structure, regulations, policy, operation, etc, foster co-operation and communication, and gain first-hand experience of the host city's latest developments. The exchange programme was suspended during the epidemic.

In 2023, the Government resumed civil service exchange with the Mainland, starting with the launch of an exchange programme with the Mainland municipalities in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA). The first batch comprising 10 participants from Hong Kong went to Shenzhen in December 2023. They were assigned to different government departments in Futian and Qianhai to perform specific duties and to have in-depth exchanges with officers from Shenzhen. The participating middle and senior-ranking civil servants came from eight departments and grades, including the Administrative Officer Grade, the Executive Officer Grade, the Environmental Protection Department, the Highways Department, the Innovation and Technology Commission, the Office of the Government Chief Information Officer, the Planning Department and the Transport Department. The CSB is discussing arrangements for the next phase of the programme with the Guangdong Provincial Government, including the arrangements for selecting civil servants of Guangdong Province for exchanges with HKSAR government departments. We are also preparing for resumption of exchange programmes with other major Mainland cities beyond the GBA and plan to sign exchange agreements with them in the second half of 2024. Specific arrangements have yet to be finalised.

In addition to the exchanges co-ordinated by the CSB for civil servants to perform specific tasks in Mainland cities, bureaux/departments will make their own arrangements for training and study tours related to their business to strengthen liaison with their Mainland counterparts, thereby fostering mutual exchanges and co-operation.

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## **Result of tenders of RMB Sovereign Bonds held on July 10, 2024**

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

Result of the tenders of RMB Sovereign Bonds held on July 10, 2024:

Tender Result

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Tender Date : July 10, 2024  
Bonds available for Tender : 2-year RMB Bonds  
Issuer : The Ministry of Finance of the  
People's Republic of China  
Issue Number : BCMKFB24001 (Further Issuance)  
Issue and Settlement Date : July 12, 2024  
Maturity Date : March 15, 2026 (or the closest  
coupon payment date)  
Coupon Rate : 2.20 per cent  
Application Amount : RMB 9,417 million  
Issue Amount : RMB 3,000 million  
Average Accepted Price : 100.14  
Lowest Accepted Price : 100.08  
Highest Accepted Price : 100.66  
Allocation Ratio (At Lowest  
Accepted Price) : Approximately 22.21 per cent

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Tender Date : July 10, 2024  
Bonds available for Tender : 3-year RMB Bonds  
Issuer : The Ministry of Finance of the  
People's Republic of China  
Issue Number : BCMKFB24002 (Further Issuance)  
Issue and Settlement Date : July 12, 2024  
Maturity Date : March 15, 2027 (or the closest  
coupon payment date)  
Coupon Rate : 2.28 per cent  
Application Amount : RMB 9,479 million  
Issue Amount : RMB 3,000 million  
Average Accepted Price : 100.34  
Lowest Accepted Price : 100.21  
Highest Accepted Price : 101.12  
Allocation Ratio (At Lowest  
Accepted Price) : Approximately 24.20 per cent

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Tender Date : July 10, 2024  
Bonds available for Tender : 5-year RMB Bonds  
Issuer : The Ministry of Finance of the  
People's Republic of China  
Issue Number : BCMKFB24003 (Further Issuance)  
Issue and Settlement Date : July 12, 2024

Maturity Date	:	March 15, 2029 (or the closest coupon payment date)
Coupon Rate	:	2.39 per cent
Application Amount	:	RMB 10,039 million
Issue Amount	:	RMB 3,000 million
Average Accepted Price	:	100.70
Lowest Accepted Price	:	100.41
Highest Accepted Price	:	102.19
Allocation Ratio (At Lowest Accepted Price)	:	Approximately 80.00 per cent

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## [LCQ17: The Exchange Fund's assets managed by Hong Kong Monetary Authority](#)

Following is a question by the Hon Adrian Ho and a written reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (July 10):

Question:

It is learnt that, apart from directly managing most of the Exchange Fund (EF)'s assets, the Hong Kong Monetary Authority (HKMA) has also placed part of EF's assets under the management of external fund managers. In this connection, will the Government inform this Council:

(1) of the respective total values of EF's assets managed by HKMA directly and those by external fund managers appointed by HKMA as well as their ratio in each of the past five years, and the latest balances of the various current portfolios;

(2) of the following information on the investment managers appointed by HKMA: the respective numbers of local managers and those from other countries or regions as well as their ratio, their appointment periods and yearly management fees charged, with a tabulated breakdown by name of manager; among the managers from other countries or regions, of the number of those which have established offices in Hong Kong; and

(3) whether HKMA has set annual minimum return rates for EF's assets managed by external fund managers so as to ensure that the managers will regard securing a higher return as their prime objective in managing the relevant assets and drawing up investment strategies; if so, of the criteria for determining those minimum return rates; if not, the reasons for that?

Reply:

President,

In consultation with the Hong Kong Monetary Authority (HKMA), the consolidated reply to various parts of the question is as follows:

The HKMA, in addition to managing the Exchange Fund's investments directly, has external investment managers to manage the Exchange Fund's assets including the listed equity portfolios and other specialised asset classes. The purpose of engaging external investment managers is to leverage on the best investment expertise available in the market to serve the Exchange Fund, while facilitating the Exchange Fund to draw on more diversified and complementary investment styles for sustainable returns and benefit from the market insights and investment expertise of external investment managers.

In the past five years, the percentages of the Exchange Fund's assets managed by external investment managers are as follows:

Year	Percentage of Exchange Fund's Assets Managed by External Managers
2023	29%
2022	30%
2021	29%
2020	28%
2019	29%

The Exchange Fund is primarily used for regulating the exchange value of the Hong Kong dollar, and maintaining the stability of Hong Kong's monetary and financial systems with a view to maintaining Hong Kong as an international financial centre. To ensure a high level of liquidity of the Exchange Fund, and to avoid putting additional pressure in the event that the Hong Kong market is under shocks and assets need to be sold in pursuit of the above policy objectives, the Exchange Fund has been mainly holding overseas assets.

The HKMA has in place a robust procedure to select and appoint investment managers. The selection process is holistic and based on a set of criteria such as the professional knowledge of the institutions concerned and the teams, their experience and investment track record, risk management and compliance record, extent of presence in Hong Kong, environmental, social and governance practices and fees, etc. Among other things, the HKMA attaches great importance to the operating situation of the investment managers in Hong Kong. For instance, their business scale and whether there have been business expansion in Hong Kong in recent years. The HKMA has gradually increased the investment exposure to investment managers whose major operations are in Hong Kong in recent years to encourage the expansion of their business in Hong Kong.

At present, the HKMA employs for its open market investments about 80 investment managers, who manage funds of about HK\$690 billion in total, of which about 90 per cent of the assets are managed by investment managers with offices in Hong Kong. In line with market practice, external investment managers are not appointed for a specified period of time, but the HKMA regularly reviews their investment performance and makes appropriate adjustments where necessary. All Hong Kong stock investments are managed by a local team of about 20 external investment managers with extensive investment experience. Over the past few years, the Exchange Fund has also invested in 32 local hedge funds through various channels.

For private market investments, the Long-Term Growth Portfolio under the Exchange Fund currently manages investment projects of about HK\$517 billion, including global private equity and overseas real estates, with a general investment period of ten years. The Long-Term Growth Portfolio mainly works with internationally renowned investment managers by appointing them as general partners under the portfolio, where over 60 per cent of them have established offices in Hong Kong. These general partners focus on investing in global or regional assets. On the other hand, the HKMA has also been supporting a number of investment managers who focus on local investments through other investment channels, and attracting other experienced investment managers to set up offices in Hong Kong.

The overall management fees of the external investment managers in 2023 were approximately 0.43 per cent of their amounts under management. The fees charged by investment managers in the market are varied in general, subject to the characteristics of different assets.

Nevertheless, the HKMA has well-established mechanisms in place to regularly monitor and assess the performance of external investment managers, making reference to factors such as the general market performance and that of investment managers with similar investment targets. If the performance of an external investment manager is not satisfactory, the HKMA will take appropriate actions, including request for improvement, issuing warning, allocation reduction, termination of appointment, etc.

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## [ICAC Complaints Committee annual report tabled in LegCo](#)

The 2023 Annual Report of the Independent Commission Against Corruption (ICAC) Complaints Committee was tabled in the Legislative Council today (July 10). The report gives a summary of the Committee's work in 2023.

The Committee is tasked with the responsibility of monitoring the

handling of non-criminal complaints against the ICAC and its officers. The Committee takes an independent view on the ICAC's investigation findings on the complaints received, reviews the ICAC's procedures which may lead to complaints, and makes recommendations for improvement.

In 2023, the Committee received 19 complaints involving 47 allegations against the ICAC or its officers. Among the allegations registered in 2023, 75 per cent were related to neglect of duties by ICAC officers, 15 per cent to inadequacies of ICAC procedures, 6 per cent to abuse of power, and 4 per cent to misconduct.

The ICAC submits investigation reports to the Committee after conducting full investigations on complaint cases, while assessment reports are submitted for complaints which do not warrant a full investigation. During 2023, the Committee considered the investigation reports of 16 complaint cases including 15 cases received in 2023 and one case received in 2021 for which the related investigation was completed in 2023. These complaints contained a total of 37 allegations in which one allegation involving one ICAC officer was found to be substantiated. In this year, the Committee also considered and endorsed eight assessment reports. Preliminary assessment showed that the eight cases were irrational complaints and repeated complaints previously disposed of through the Committee, and the Committee agreed that no further investigative actions should be taken.

The ICAC has carefully examined the investigation reports and strengthened training programmes for frontline officers to enhance their professionalism and vigilance in discharging their duties. In particular, officers were advised to act professionally when handling enquiries from members of the public and treat them with courtesy and respect.

The annual report of the Committee is available on the Administration Wing's website ([www.admwing.gov.hk/eng/links/icac.htm](http://www.admwing.gov.hk/eng/links/icac.htm)) and also at the ICAC's regional offices.

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## **LCQ9: Integrated development of urban greening and urban farming**

Following is a question by the Hon Steven Ho and a written reply by the Secretary for Environment and Ecology, Mr Tse Chin-wan, in the Legislative Council today (July 10):

Question:

The Blueprint for the Sustainable Development of Agriculture and Fisheries (Blueprint) has proposed to introduce urban farming elements into the planning stage of New Development Areas (NDAs). It is learnt that many



cities both within and outside the country have integrated urban greening with urban farming. For example, the Sports Park in Jinnan District, Tianjin City uses idle green space to cultivate more than 300 plant species, including herbs, rice, fruits and vegetables. Regarding the integrated development of urban greening and urban farming, will the Government inform this Council:

(1) of the current respective areas of urban green space in various districts; the average total expenditure on the management and maintenance of such space in each of the past three years and a breakdown of such expenditure;

(2) of the respective areas of planned green space in projects currently under planning or construction in NDAs and various districts (e.g. the Global Innovation Centre of the University of Hong Kong and the Government Chinese Medicines Testing Institute), as well as the total expenditure earmarked for greening and a breakdown of such expenditure; and

(3) as the Blueprint has proposed the establishment of a Modernised Techno-Agricultural Park led by an agricultural organisation within part of Agri-Park Phase 2, and it has been reported that the authorities also plan to entrust the fishermen with the management of the fish ponds of the proposed Sam Po Shue Wetland Conservation Park to maintain the conservation and production functions concurrently, and there are views that this is sufficient proof of the feasibility of the Government's collaboration with the industry, whether the authorities will draw reference from the mode of green space management in other cities to enhance the functions of urban green space in NDAs; whether the authorities will explore the possibility of allocating some green space to farmers or agricultural bodies for management to promote agricultural production, reduce the maintenance costs of greening, and enhance the economic benefits of green space; if it will, of the details; if not, the reasons for that?

Reply:

President,

The Government has all along attached great importance to the development of local agriculture and fisheries industries, and published in end-2023 the Blueprint for the Sustainable Development of Agriculture and Fisheries, formulated hand in hand with the industries. The Blueprint sets out specific measures on various areas of development, including promoting diversification of industries and strengthening the functions of trade organisations. To take forward the relevant work, the Government is actively assisting the industry in developing urban farming so that local agriculture can move towards sustainable development in the midst of urban development. Meanwhile, the Government will also foster the development of trade organisations, strengthen their functions, and provide opportunities for them to participate in project management and joint promotion of policies.

Having co-ordinated information provided by the Development Bureau, we

provide our reply to the question raised by the Hon Steven Ho on the integrated development of urban greening and urban farming as follows:

(1) "Green space" may refer to areas zoned "Green Belt" in statutory zoning plans (which covers a land area of around 17 000 hectares), and land of other zonings that are vegetated (including different categories of land and facilities, such as parks, gardens, as well as landscaped areas along roads or within public and private developments). Information on the greening area on different categories of land is not readily available. For example, there are over 1 600 parks and gardens under the management of Leisure and Cultural Services Department (LCSD), while the area of land with which the LCSD provides horticultural maintenance service is around 1 300 hectares. Since the "green space" mentioned in the question includes both government land and private land, and that managing and maintaining government land and facilities are part and parcel of the regular duties of various departments, which are discharged with their overall resources, the relevant management and maintenance expenditure is not readily available.

(2) Not only will urban greening beautify the environment, but also help moderate temperature and improve air quality, rendering Hong Kong a more liveable city.

In terms of urban planning, greening-related planning guidelines have been stipulated under the Hong Kong Planning Standards and Guidelines, including the overall target of attaining 30 per cent green coverage for public housing developments. Besides, in order to develop a green and liveable Northern Metropolis, when planning New Development Areas (NDAs), the Government has adopted a higher standard of 3.5 square metres per person (as compared to 2.5 square metres per person in the past) when reserving land for open space.

As for public works projects, apart from the implementation of the Greening Master Plans, these projects are also required to incorporate greening elements in planning and development stages. For example, new government building projects should include greening measures on 20 per cent to 30 per cent of the site area (including roof greening and vertical greening), new at-grade road projects should allow for space for quality greening and landscape works and soft landscape provisions should be integrated in the highway structure projects to enhance street landscape.

To encourage private development projects to include greening elements, for projects with site area of 1 000 square metres or more, if there is at least 20 per cent to 30 per cent site coverage of greenery for the project and that other requirements are met, gross floor area concessions for certain facilities and equipment can be granted.

(3) The overall concept of urban farming is to integrate commercial agriculture into the city. Not only can this produce high quality and fresh agricultural produce with reduced carbon footprints to the public, but also provide green landscapes and modernised farming experience to the communities while expanding the capacity and increasing the output, thereby improving the

quality and liveability of urban life.

To promote the development of urban farming, the Government has sought consent from the Town Planning Board for amending the Definition of Terms used in statutory plan for "Open Space" to include "urban farm", so as to allow the setting up of urban farms to be operated on a commercial basis in "Open Space" areas (such as parks and outdoor public open space in urban areas and NDAs), thereby making good use of precious land resources and contributing to the integrated development of commercial agriculture and urban areas.

Moreover, the Agriculture, Fisheries and Conservation Department (AFCD) is working with relevant organisations to explore setting urban farming as one of the indicators of green buildings, such as incorporating into the assessment scheme of the Building Environment Assessment Method Plus, so as to encourage business enterprises to integrate elements of urban farming when planning property development projects, blending commercial farming into urban life.

Regarding the collaboration with the trade, the AFCD has launched a pilot project on modernised urban farming in Ma On Shan Sai Sha Road Garden, where part of the site will be made available for the trade to set up and operate a modernised crop farm, with technical support being provided. The project is expected to commence operation in the fourth quarter of 2024. To promote the concept of "harvest-to-sale", the Government will also set up modernised hydroponic farms-cum-stalls on suitable rooftops of government buildings and public markets, including the Tin Shui Wai Public Market under construction and the Kwu Tung North Public Market, for operation by the trade upon application.

We will continue to launch pilot projects on modernised urban farming at other suitable locations, and will make good use of urban spaces in Northern Metropolis and other NDAs, with a view to developing urban farming through a multi-pronged approach. With the experience gained in implementing the pilot projects, we will explore the possibility of allocating green space to agricultural organisations for management in due course.