

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Thursday, March 7, 2024 is 104.9 (down 0.1 against yesterday's index).

HKMA unveils Project Ensemble to support development of Hong Kong tokenisation market

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

The Hong Kong Monetary Authority (HKMA) today (March 7) announced the commencement of Project Ensemble, a new wholesale central bank digital currency (wCBDC) project to render support to the development of the tokenisation market in Hong Kong.

The new project will seek to explore innovative financial market infrastructure (FMI) that will facilitate seamless interbank settlement of tokenised money through wCBDC. The project will initially focus on tokenised deposits, which is a digital representation of commercial bank deposits, issued by commercial banks and made available to the general public. With wCBDC as the foundation, tokenised deposits can be used for tokenised asset transactions, unlocking new opportunities for optimisation and innovation in the tokenisation era.

At the core of Project Ensemble is a wCBDC Sandbox that the HKMA will launch this year to further research and test tokenisation use cases that include, among others, settlement of tokenised real world assets (e.g. green bonds, carbon credits, aircraft, electric vehicle charging stations, electronic bills of lading and treasury management). It could potentially forge a new FMI that bridges the existing gap between tokenised real world assets and money in transactions.

To help set industry standards and a future-proof strategy, the HKMA will form a wCBDC Architecture Community consisting of local and multinational banks, key players in the digital asset industry, technology companies and the CBDC Expert Group (Note 1). The HKMA will also continue to partner with Cyberport and the Hong Kong Science and Technology Parks Corporation to foster the development of asset tokenisation and support homegrown fintech innovation.

Project Ensemble forms a key part of the HKMA's broader portfolio of

initiatives to facilitate the development of the tokenisation market, comprising e-HKD and collaboration with the BIS Innovation Hub Hong Kong Centre such as mBridge (Note 2), Dynamo (Note 3) and Genesis (Note 4). It will also build on the experimentation of tokenised deposit use cases that the HKMA conducted with HSBC, Hang Seng Bank and Ant Group in 2023. The HKMA will engage relevant international stakeholders, including other central banks and organisations, to join future experiments and exploration in the wCBDC Sandbox.

Finally, if the wCBDC Sandbox garners sufficient interest from the industry, the HKMA will conduct a "live" issuance of the wCBDC at the appropriate time.

The Chief Executive of the HKMA, Mr Eddie Yue, said, "Hong Kong has always championed innovation and international collaboration. Project Ensemble will provide fresh impetus to our vibrant financial industry and reinforce our forefront position in tokenised money and assets. We welcome global talents and industry players to come to Hong Kong and be part of this very exciting tokenisation journey."

Note 1: [CBDC Expert Group](#)

Note 2: [Project mBridge: experimenting with a multi-CBDC platform for cross-border payments](#)

Note 3: [Project Dynamo: catalysing innovation for SME growth](#)

Note 4: [Project Genesis: prototype digital platforms for green bond tokenisation](#)

[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 March 6 to noon today (March 7), the CFS conducted tests on the radiological levels of 113 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 to noon today, the CFS and the AFCD have conducted tests on the radiological levels of 34 693 samples of food imported from Japan (including 23 221 samples of aquatic and related products, seaweeds and sea salt) and 9 676 samples of local catch respectively. All the samples passed the tests.

6th World Customs Organization Global Canine Forum concluded with success (with photo)

The 6th World Customs Organization (WCO) Global Canine Forum organised by Hong Kong Customs was successfully concluded today (March 7).

The three-day Forum delivered fruitful outcomes by gathering over 120 members from more than 40 customs organisations around the world (including the Mainland and other overseas countries), the WCO, and local law enforcement dog teams, who engaged in discussions and experience sharing on canine-related topics. The participants also visited the newly established Regional Dog Training Centre (RDTC) of Hong Kong Customs and enjoyed detector

dog demonstrations to gain insights into the achievements and the latest developments of the Hong Kong Customs Canine Force, particularly in canine breeding, Smart Collar, Smart K9 Management System, etc.

After the Forum, Hong Kong Customs held a Heads of RDTTC Meeting with various RDTTC representatives to discuss the improvement of accreditation standards and procedures of the existing RDTTC, aiming at enhancing the professionalism and collaboration among canine forces.

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In the closing ceremony of the Forum, the Commissioner of Customs and Excise, Ms Louise Ho, highlighted that the Forum not only provided a valuable platform for customs organisations worldwide to share experiences, but also facilitated knowledge exchange and collaborative networks. Hong Kong Customs will continue to strengthen co-operation with the WCO to elevate the canine enforcement capability of members while fully affirming the department's international standing in the canine profession.



[CFS follows up on aquatic product imported from Japan suspected of breaching Food Safety Order](#)

â€‹The Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department announced today (March 7) that an aquatic product from a regulated Japanese prefecture was suspected to be in breach of the relevant Food Safety Order when the CFS inspected a consignment of food imported from Japan. The product concerned has been marked and sealed by the CFS and has not entered the market. The CFS is following up on the case.

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A spokesman for the CFS said, "During an inspection of the food label of the concerned consignment of food imported from Japan, the CFS found a box of sea urchin from Miyagi Prefecture after the Order was issued. The importer concerned is thus suspected of breaching the relevant Order."

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According to the Order, all aquatic products originating from the 10 metropolis/prefectures, namely Tokyo, Fukushima, Ibaraki, Miyagi, Chiba, Gunma, Tochigi, Niigata, Nagano and Saitama, are prohibited from being imported into and supplied in Hong Kong if they are harvested, manufactured, processed or packed on or after August 24, 2023, including all live, chilled, frozen, dried or otherwise preserved aquatic products, sea salt, and unprocessed or processed seaweed.

The CFS will continue to follow up on the incident and take appropriate action, including informing the Japanese authorities concerned of the incident. Prosecution will be instituted against the importer concerned should there be sufficient evidence. The investigation is ongoing.