

HKMA hosts the launch of the CBI Hong Kong Green Bond Market Briefing Report

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

The Hong Kong Monetary Authority (HKMA) hosted the launch of the Climate Bonds Initiative (CBI) Hong Kong Green Bond Market Briefing Report today (February 25).

This is the first time that the CBI publishes a market briefing report on the Hong Kong green bond market. The report shows that the Hong Kong market has been growing robustly and has become one of the largest green bond markets in the world. In 2018, green bonds arranged and issued in Hong Kong in the year totalled USD11 billion, an increase of 237 per cent from 2017, which was around USD3 billion. Apart from Hong Kong issuers, as an international financial centre, a substantial number of Mainland and overseas entities also chose to issue green bonds in Hong Kong. These non-Hong Kong entities arranged and issued a total of USD9 billion, or 83 per cent of green bonds in Hong Kong. Mainland Chinese entities were the largest issuer group by origin, with the issuance size totalling USD7 billion, or 64 per cent of the market.

At the launch event, representatives from CBI, the International Capital Market Association, bank, asset manager and professional services firm discussed the latest developments in the global and Hong Kong green finance markets and the role of Hong Kong as the green finance hub for the Guangdong-Hong Kong-Macao Greater Bay Area[1], and explored how Hong Kong could further grow its green finance businesses and tap into Mainland China opportunities. Over 100 representatives from investors, issuers, intermediaries, external reviewers and rating agencies attended the event.

The Executive Director (External) of the HKMA, Mr Vincent Lee, said in his opening remarks, "We are delighted to see CBI launching a market briefing report on Hong Kong. It is a recognition of Hong Kong's emergence as one of the world's leading green finance markets. The report shows that the Hong Kong market has been growing from strength to strength and is attracting companies from around the region to raise green financing. Hong Kong is also the designated green finance hub for the Greater Bay Area. We see strong potential in the Hong Kong market, and will continue to work with the Government and the industry to make Hong Kong a better place for green finance businesses."

The CEO of CBI, Mr Sean Kidney, said, "Hong Kong saw positive signs in green finance development in 2018, with the Government and private sector looking to channel capital to assets or projects that produce positive climate impacts. The HKD100 billion sovereign green bond programme announced by the Hong Kong Government, one of the world's largest by far, is expected to propel the market further with its phased implementation. Besides,

enhancing visibility of green debts, steering investment towards green projects and a green bond segment on the stock exchange are also crucial to the next stage of market growth. All these steps will help propel Hong Kong towards its ambition to become Asia's major hub of green finance."

[1] The "Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area" sets out the Central Government's goal of developing Hong Kong as the Greater Bay Area's green finance hub and building up Hong Kong's green review capacity.

Ballots drawn for Sale of Green Form Subsidised Home Ownership Scheme Flats 2018 (with photo)

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

Ballots were drawn openly today (February 25) for the Hong Kong Housing Authority (HA)'s Sale of Green Form Subsidised Home Ownership Scheme (GSH) Flats 2018 (GSH 2018). The Chairman of the HA Subsidised Housing Committee, Mr Stanley Wong, officiated at the ballot drawing.

2 545 flats at Blocks 1 to 4 of Lai Tsui Court at Lai Chi Kok Road in Cheung Sha Wan have been put up for sale under GSH 2018. The saleable areas range from about 17.1 square metres to 42.0 sq m. By applying a discount of 58 per cent to assessed market values, the average selling price is \$67,200 per sq m (or \$6,243 per square foot) on saleable area. The selling price ranges from around \$0.93 million to \$3.1 million per flat.

Over 40 000 applications were received by the HA for GSH 2018, comprising around 28 000 carried-over Green Form applications from Sale of Home Ownership Scheme (HOS) Flats 2018 and around 12 000 new applications. The open ballot conducted today will determine the priority sequence based on the last two digits of the application numbers. The order of the applications under different application categories with the drawn digits from the ballot will be randomly generated by computer. Following this order, the HA will send notifications in batches to invite eligible applicants to select flats at the office of the GSH Sales Unit in Kwun Tong from the end of March onwards.

If the applicants of the carried-over HOS 2018 applications have successfully purchased a flat under HOS 2018, their GSH 2018 application will be cancelled.

The sales brochure covering full details and the price list for Lai Tsui Court will be made available for public collection at the office of the GSH

Sales Unit seven days before the commencement of flat selection. Soft copies of these documents will also be uploaded to the designated website for the development. The building model, doll houses and panels for the development will also be displayed at the GSH Sales Unit for viewing by the public from seven days before commencement up to the end of the flat selection period.

The ballot results have been uploaded to the dedicated webpage on the HA/HD website (www.housingauthority.gov.hk/gsh/2018). The randomly generated order of all applicants will be uploaded to the webpage tomorrow (February 26). It will also be displayed from tomorrow onwards at the GSH Sales Unit in Kwun Tong, the estate offices and District Tenancy Management Offices of the HA, the estate offices of the Hong Kong Housing Society, the Home Affairs Enquiry Centres of the Home Affairs Department and the Sham Shui Po Housing Information Centre. Applicants may also call the HA sales hotline 2712 8000 for enquiries.



Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Monday, February 25, 2019 is 103 (down 0.1 against last Saturday's index).

The effective exchange rate index for the Hong Kong dollar on Saturday, February 23, 2019 was 103.1 (down 0.2 against last Friday's index).

Thirty-six nominations for CPC election received

The Education Bureau received 36 nominations for the 13th election to the Council on Professional Conduct in Education during the nomination period, which closed on February 22.

"These nominations comprise 22 nominations from the teacher-nominated category and 14 nominations from the organisation-nominated category," a bureau spokesman said today (February 25).

"Apart from the elected council members, the Committee on Home-School Co-operation will nominate three parent representatives to the council, and the Permanent Secretary for Education will appoint the Principal Education Officer (Professional Development and Training) and three lay members to the council," he added.

Voting for the teacher-nominated category will take place at schools on April 10. Serving regular registered teachers, permitted teachers and government school teachers are eligible to vote.

Since seats in some organisation-nominated categories are being contested, the education organisations concerned will be informed to submit their votes before 4pm on April 24.

Details of election procedures will be sent to schools and education organisations later.

Status quo to be maintained for export control of powdered formulae

The Food and Health Bureau (FHB) has completed the review on the export control of powdered formulae. Having analysed the market situation and taken into due consideration the stakeholders' views, the FHB has decided to maintain the status quo for the export control at this stage.

The Import and Export (General) (Amendment) Regulation 2013 prohibits the export of powdered formulae for infants and young children under 36 months from Hong Kong except with a licence issued by the Director-General of Trade and Industry. Having regard to the need for personal use, each person aged 16 or above may carry not more than a total net weight of 1.8 kilograms of powdered formulae (equivalent to about two cans) on his or her first departure from Hong Kong within a 24-hour period.

A spokesman for the FHB today (February 25) said, "Before making the decision, we have listened to the views of the Legislative Council Panel on Food Safety and Environmental Hygiene, the Committee on Supply Chain of Powdered Formula, those District Councils which have expressed concerns on the review and different stakeholders in society, as well as the outcome of market surveys.

"We expect that the potential non-local demand for powdered formulae in the local market will remain huge. In fact, the volume of powdered formulae re-exported from Hong Kong through normal trading activities has increased significantly since the implementation of the export control in 2013. Meanwhile, the number of convicted cases in breach of the export control has maintained at around 3 800 per year since 2016. No downward trend has been seen. These show that parallel trading activities on powdered formulae are still persistent."

For the purpose of the review, the FHB conducted six rounds of market surveys in 2018, covering pharmacies and chain stores selling powdered formulae in the 18 districts territory-wide. The survey results showed that nine out of 10 times fieldworkers were able to buy designated powdered formula products immediately at the retail outlets randomly sampled. For those occasions when the retail outlets did not have readily available stocks of the designated powdered formula products, the fieldworkers could buy the same products after visiting one to two retail outlets within around a five-minute walking distance nearby on the same day in most circumstances. The export control has a significant role in safeguarding the stable supply of powdered formulae at local retail outlets. The stable supply of powdered formulae over the past few years has put local parents at ease. There are no other measures which can easily replace the export control at this stage.

The spokesman added that the Government will keep in view the operation of the supply chain of powdered formulae, as well as the changes in the potential non-local demand for powdered formulae in the local retail market, so as to safeguard the stable supply of powdered formulae in Hong Kong.