

## Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Wednesday, July 25, 2018 is 103.7 (down 0.4 against yesterday's index).

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## Red flag hoisted at Stanley Main Beach

Attention TV/radio announcers:

Please broadcast the following as soon as possible:

Here is an item of interest to swimmers.

The Leisure and Cultural Services Department announced today (July 25) that due to big waves, the red flag has been hoisted at Stanley Main Beach in Southern District, Hong Kong Island. Beach-goers are advised not to swim at the beach.

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## Consultation conclusion on rules prescribing loss-absorbing capacity requirements for authorized institutions

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

The Hong Kong Monetary Authority (HKMA) today (July 25) released the consultation conclusion on the public consultation relating to rules prescribing loss-absorbing capacity (LAC) requirements for authorized institutions (Rules) proposed to be made as subsidiary legislation under section 19(1) of the Financial Institutions (Resolution) Ordinance (Cap 628) (Ordinance).

The core of the HKMA's LAC policy proposal is that authorized institutions whose failure could pose a risk to the financial system in Hong Kong should be required to have sufficient LAC in order to facilitate the orderly failure of such entities, should they reach the point of non-viability. To this end, requiring authorized institutions to maintain

sufficient LAC is a pre-requisite to enabling the Monetary Authority, as resolution authority for the banking sector, to use the powers under the resolution regime established by the Ordinance to manage any future failure of an authorized institution in an orderly manner that avoids disruption to financial stability and minimises the risk to public funds.

At the end of the consultation period (January 17 to March 16), a total of ten submissions had been received, including from industry associations (both domestic and international), authorized institutions and financial market infrastructures.

Respondents provided constructive comments on the proposals set out in the consultation paper. While some sought additional clarity on the details of the proposals in the consultation paper, no respondents challenged the basic principle of the policy proposal.

The HKMA has carefully reviewed all comments, and the Monetary Authority's responses are set out in the consultation conclusion, with appropriate changes adopted in developing the draft Rules. The intention is to consult industry on the text of the draft Rules before introducing the Rules as subsidiary legislation under the Ordinance into the Legislative Council for negative vetting later in 2018.

The Ordinance was enacted by the Legislative Council on June 22, 2016. The main provisions of the Ordinance came into operation on July 7, 2017.

The consultation conclusion can be downloaded from the HKMA's website ([www.hkma.gov.hk/eng/key-functions/banking-stability/resolution/resolution-publications](http://www.hkma.gov.hk/eng/key-functions/banking-stability/resolution/resolution-publications)).

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## **Service fee adjustment for private doctors under GOPC-PPP Programme**

The following is issued on behalf of the Hospital Authority:

The Hospital Authority (HA) today (July 25) announced that in consideration of the latest composite consumer price index, the service fee for the Participating Service Providers (PSPs) in the General Outpatient Clinic Public-Private Partnership (GOPC PPP) Programme will be increased by around 4.1 per cent from \$3,155 to \$3,283 per patient per year at the maximum with retrospective effect from July 1, 2018.

According to the HA spokesperson, the calculation of the adjustment was based on the commonly used Composite Consumer Price Index (Medical Services), published in the Monthly Report on the Consumer Price Index by the Census and

Statistics Department, for the period from July 2017 to June 2018.

"The maximum total payment to PSPs per patient per year, covering up to 10 consultations, will be increased from \$3,155 to \$3,283. Participating patients, however, will continue to pay only the HA General Outpatient Clinic (GOPC) fee of \$50 per attendance," the spokesperson said.

The GOPC PPP Programme has been extended to cover all 18 districts in the territory since April this year. As at the end of June 2018, over 360 PSPs were providing consultation services to more than 24,000 GOPC patients who have joined the Programme. The territory-wide implementation will give patients more choices in selecting their family doctors all over Hong Kong.

"All HA Public-Private Partnership Programmes work on Electronic Health Record (eHR) platforms. PSPs and patients have to register for the eHR system if they wish to join the programmes, including the GOPC PPP Programme," the spokesperson added.

The HA will continue to monitor closely the implementation of the GOPC PPP Programme and keep in view closely the feedback from service providers, patients and other parties concerned.

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## [InvestHK encourages Jiangsu and Anhui enterprises to “go global” via Hong Kong \(with photo\)](#)

Invest Hong Kong (InvestHK) hosted a roundtable conference in Nanjing, Jiangsu Province, today (July 25) to update the local business community on Hong Kong's unique business advantages in the context of the national Belt and Road Initiative and how they could expand their business globally via Hong Kong.

The roundtable conference, entitled "Hong Kong and Jiangsu Province cooperation: Seizing the advantages of Hong Kong's platform", was organised by InvestHK in partnership with the Department of Commerce of Jiangsu Province. It was also supported by the Hong Kong Economic and Trade Office in Shanghai (SHETO) of the Hong Kong Special Administrative Region (HKSAR) Government.

The Director-General of Investment Promotion, Mr Stephen Phillips, and the Deputy Director of the Department of Commerce of Jiangsu Province, Mr Sun Jin, spoke at the event.

Mr Phillips said, "Hong Kong and Jiangsu have close economic ties. Hong

Kong has long played an active role in facilitating trade and investment between Mainland China and the rest of the world, and in recent years, Mainland enterprises' ambition to 'go global'. Hong Kong can provide a dynamic business environment to these companies, helping Jiangsu companies to embrace new opportunities offered by the Belt and Road Initiative."

He continued, "Jiangsu enterprises can leverage Hong Kong's world-class financial and professional services to structure and finance projects and merger and acquisition deals, and access the very best accounting and tax, legal, construction engineering design, management and project planning services, as well as manpower training and much more. All these are underpinned by Hong Kong's world-class common law system, which also makes Hong Kong a very suitable location for dispute resolution. What is more, the international outlook of Hong Kong, as the melting pot of the region, can also help Jiangsu enterprises and companies from Belt and Road countries forge successful partnerships."

The Head of the Shanghai Investment Promotion Unit of InvestHK, Ms Ada Yeung, also introduced Hong Kong's business environment and latest tax policies at the conference. The Assistant Vice President, Issuer Services, Market Development of Hong Kong Exchanges and Clearing Limited, Ms Natalie Chan, and Partner, Tax and Business Advisory of Deloitte China, Ms Paky Ding, talked about the latest developments of the listing and securities market, tax incentives and the advantages of setting up a corporate treasury centre in Hong Kong.

The InvestHK delegation will head to Hefei, Anhui Province, tomorrow (July 26), to host a seminar entitled "Hong Kong and Anhui Province cooperation: Seizing the advantages of Hong Kong's platform", introducing Hong Kong's business advantages to Anhui companies and entrepreneurs and encouraging them to make use of Hong Kong as the best platform to "go global".

The Hefei seminar is organised by InvestHK in partnership with the Commercial Office of the Economic Affairs Department of the Liaison Office of the Central People's Government (LOCPG) in the HKSAR and the Department of Commerce of Anhui Province. It is supported and co-organised by the Financial Work Office of the Anhui Provincial People's Government, the China Council for the Promotion of International Trade, the Anhui Provincial Committee, the Anhui Federation of Industry and Commerce and the SHETO of the HKSAR Government. Mr Phillips; the Deputy Director-General of the Economic Affairs Department and Head of the Commerce Office of the LOCPG in the HKSAR, Mr Liu Yajun; and the Deputy Director of the Department of Commerce of Anhui Province, Ms Zhu Ning, will speak at the event.

Other speakers at the Hefei seminar will include the Executive Director, Head of of Commercial Bank, Transaction Banking at Standard Chartered Bank (China), Mr Richard Lee; the Assistant Vice President, Issuer Services, Market Development of Hong Kong Exchanges and Clearing Limited, Ms Sarah Zhang; and the Director (Shanghai) of the Hong Kong Trade Development Council (HKTDC), Ms Lesley Wong, as well as Ms Ding who spoke at the Nanjing seminar today. They will talk about Hong Kong's financing advantages and

comprehensive professional financial services for Mainland enterprises, listing in Hong Kong and the latest developments in Hong Kong's securities market, and the diversified services that the HKTDC provides for Mainland enterprises "going global". A representative from an Anhui enterprise in Hong Kong, the Vice General Manager of Xingtai Holding Company (Hong Kong) Limited, Ms Kong Yan, will also talk about her experience in making use of Hong Kong's facilities and services to expand overseas.

#### About InvestHK

InvestHK is the department of the Hong Kong Special Administrative Region Government to attract foreign direct investment and support overseas and Mainland businesses to set up or expand in Hong Kong. It provides free advice and customised services for overseas and Mainland companies enrolled as its clients. For more information, please visit [www.investhk.gov.hk](http://www.investhk.gov.hk).

For an event photo, please visit [www.flickr.com/photos/investhk/albums/72157671517249898](http://www.flickr.com/photos/investhk/albums/72157671517249898).

