

# LCQ2: Hong Kong Investment Corporation Limited

Following is a question by Dr the Hon Johnny Ng and a reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (March 26):

Question:

The Government established the Hong Kong Investment Corporation Limited (HKIC) in 2022 to manage the investment activities of designated government funds through identifying investment opportunities and strategically promoting development of target industries, while generating investment return. In this connection, will the Government inform this Council:

(1) of an overview of HKIC's investments since its establishment, including the main industries supported by HKIC's current portfolios, and how far HKIC can identify the investment targets which can contribute to the economic development of Hong Kong; whether the effectiveness of HKIC's work has been assessed;

(2) given that the Temasek Holdings, founded in 1974, had an asset size reaching S\$389 billion (HK\$2.3 trillion) in March 2024, making it the eleventh largest sovereign wealth fund in the world, whether HKIC will draw on the successful experiences of, among others, the Temasek Holdings and the Singapore's Economic Development Board Investment, and strengthen HKIC's investment efforts while adjusting its investment directions at appropriate times; and

(3) as far as Hong Kong's long-term economic development is concerned, whether it has considered adding a wider variety of sectors in HKIC's investments, including high-growth industries such as Web 3.0, thereby building up future economic pillars for Hong Kong and attracting talents as well as innovative enterprises to set up their presence in Hong Kong?

Reply:

President,

In consultation with the Hong Kong Investment Corporation Limited (HKIC), my consolidated reply to the three parts of the question is as follows:

In the 2022 Policy Address, the Chief Executive announced the establishment of the HKIC to manage the investment for a total of HK\$62 billion under the Hong Kong Growth Portfolio, Greater Bay Area Investment Fund, Strategic Tech Fund, and Co-Investment Fund. The positioning of the HKIC is to capitalise the power of "Patient Capital" to channel market

capital and leverage market resources, with a view to attracting technology enterprises to set up their operations in Hong Kong, thereby accelerating the construction of a vibrant strategic industry ecosystem, while seeking reasonable financial return over the medium to long term.

The HKIC actively leverages the guiding force of capital to promote collaboration among the investment, industry, academic and research sectors, facilitates the construction of international, regional and cross-border collaboration platform for Hong Kong, and supports the accelerated nurturing of new quality productive forces, thus enhancing Hong Kong's long-term competitiveness and economic vitality.

Since its establishment, the HKIC has invested in over 90 projects, including enterprises with cutting-edge technologies or in key industries. These projects are medium-to-long-term investments. Key themes include Hard and Core Technology, Biotechnology and New Energy and Green Technology. with the proportions being 56 per cent, 16 per cent and 11 per cent respectively based on the invested amount. In summary, these investments contribute to the development of Hong Kong's innovation and technology industry, and help local start-ups explore diversified markets and application scenarios. On the other hand, they attract high quality projects and companies from the Mainland and overseas to set up and develop their business in Hong Kong through the channeling force of capital.

The HKIC has clear requirements for investee companies to contribute to Hong Kong's development in a sustainable manner, such as requiring the companies to establish offices in Hong Kong, nurture and attract talents, establish corporate venture capital (corporate VC) departments in Hong Kong and prioritise Hong Kong for their listing. Quite some investee companies have made good progress in attracting capital and talents and in exploring new markets, which has accelerated their planning for using Hong Kong as their business development platform. Certain investee companies have submitted their listing applications to the Hong Kong Exchanges and Clearing Limited.

The HKIC also actively collaborates with various investment institutions and joins hands in investing with them, promoting the continuous development and application of cutting-edge technologies in Hong Kong. As of March 2025, every Hong Kong dollar invested by the HKIC has attracted over four Hong Kong dollars from long-term capital in the market for investment.

The investments and relevant work of the HKIC are guided by the vision and needs of Hong Kong's development. In the future, the HKIC will continue to fully support government policies and the needs of Hong Kong's economic development, and actively work with different sectors of the society to pool resources and implement its work. The Government has always been fully supportive of the HKIC's work and will consider the timing and arrangements for capital injection in a timely manner as appropriate.

One of the HKIC's key strategies for 2025 is to continue to focus on three core themes, namely Hard and Core Technology, Biotechnology, New Energy

and Green Technology, and also capture the adjacent opportunities arising from these themes, including "cross-sector" applications. The HKIC also focuses on expediting the deployment and application of cutting-edge technologies, bringing innovative and disruptive research outcomes into the market and to serve the society.

The HKIC has been paying attention to accelerating the exploration of the cutting-edge impetus for growth and to strategising the relevant investment implementation. For example, the first batch of capital allocated to the Investment Portfolio under the New Capital Investment Entrant Scheme, which management is supervised by the HKIC, will be invested in industries and innovative applications in areas such as low-altitude economy, gerontechnology and smart living technologies, as well as intelligent entertainment experiences.

Thank you, President.

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## [Flight demonstration over Victoria Harbour to commemorate a century of Kai Tak's legacy](#)

To commemorate a century of Hong Kong's aviation history that took flight from Kai Tak, and coinciding with the Hong Kong Sevens being held at Kai Tak Sports Park for the first time, the Hong Kong Special Administrative Region Government supports the event organisers in staging a special flight demonstration over Victoria Harbour on the afternoon of March 30. This event symbolises the century-long legacy of Hong Kong's aviation history, inviting the public to join in witnessing this momentous and meaningful occasion.

To facilitate the flight demonstration, the Civil Aviation Department (CAD) will establish a temporary restricted flying zone (RFZ) in and around Victoria Harbour. Flying activities, such as the flying of unmanned aircraft systems (drones and model aircraft), kites, captive balloons, mass release of small balloons, etc, will be restricted. The CAD will announce details of the temporary RFZ on the electronic portal for small unmanned aircraft "eSUA" and by Notice To Airmen.

â€‹The flight demonstration will be subject to weather conditions, and details of the event will be announced by the event organisers in due course.

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# LCQ11: Applications for short-term tenancies of land and payment of land premium

Following is a question by Dr the Hon Chan Han-pan and a written reply by the Secretary for Development, Ms Bernadette Linn, in the Legislative Council today (March 26):

Question:

It has been reported that the current application procedures for lease of government land by way of short-term tenancy are complicated, and that the procedures for landowners to apply for payment of land premium also take a relatively long time, thus impeding economic development and the efficient use of government land resources to a certain extent. In this connection, will the Government inform this Council:

(1) whether the Government has compiled statistics on the respective average time taken from acceptance to completion of the procedures for each application for short-term tenancy of land and payment of land premium in the past three years (set out in a table);

(2) whether the Government will consider consolidating land resources which have been left vacant for a long time, such as offering several pieces of vacant government land in a certain district for lease as a package to statutory bodies or non-governmental organisations which will then be responsible for management and leasing arrangements, so as to expedite the effective use of land resources; and

(3) given that the current arrangement for charging land premium at standard rates has been extended to New Development Area projects under the Enhanced Conventional New Town Approach, whether the Government will consider extending the arrangement for charging land premium at standard rates to the entire territory; whether the Government will consider streamlining the process of granting land leases, such as establishing simplified procedures for granting leases and payment of land premium, so as to shorten the time taken for vetting and approval?

Reply:

President,

Our reply to the various parts of Dr the Hon Chan's question is as follows:

(1) Currently, short-term tenancies (STTs) are granted by the Lands Department (LandsD) mainly via open tender or direct grant. In relation to

direct grant STTs for community, institutional or non-profit making uses, the LandsD will proceed to grant the tenancy if the applications receive policy support and are confirmed to comply with statutory or administrative requirements upon consultation with relevant departments. The processing time required for each case varies as the nature of each application may differ.

In the past three years (2022 to 2024), the average processing time (from receipt of a valid application to completion of processing) for direct grant STTs for community, institutional or non-profit making uses is tabulated below:

Direct grant STTs for community, institutional or non-profit making uses			
Year	2022	2023	2024
Average processing time	12.2 months	12.7 months	13.9 months

As for lease modification and land exchange applications involving private land, if applicants accept the provisional basic terms offer (PBT0) issued by the LandsD, the LandsD will proceed to premium assessment and issue a premium offer. If applicants are not satisfied with the premium offer made by the LandsD, they may lodge an appeal and provide supplementary information. The time needed for premium negotiation for each case will vary depending on the complexity of the case, and may be affected by the applicants' business considerations and market outlook.

In the past three years (2022 to 2024), the average time needed for premium negotiation in respect of lease modification and land exchange applications approved and executed each year is tabulated below:

Year	2022	2023	2024
Average time needed for premium negotiation for lease modification and land exchange applications	8.5 months	5.8 months	7.8 months

(2) The vacant government sites currently available for rental applications by non-government organisations have been publicised online. It is noted that most of these sites may not have commercial values, a number of which may be secluded or even without vehicular access or other basic facilities. That said, if any external organisations are interested in simultaneously renting multiple sites for socially beneficial uses under the "package" arrangement as mentioned by Dr the Hon Chan, the Government is happy to explore further with the relevant organisations.

(3) In recent years, the Government continuously introduced a number of measures to streamline statutory and administrative procedures with a view to further expediting approval process and removing barriers for development. In terms of premium negotiation procedures, the LandsD will maintain close communications with applicants and endeavour to minimise the differences between both parties, such as allowing applicants to provide supplementary information during appeal, having face-to-face exchanges with applicants on various assessment parameters before processing the appeal. There is also a fast-track procedure for applicant's second or third appeal. If the appeal applications meet the requirements for the relevant fast-track procedures, the LandsD will issue premium offer again within 24 working days after receiving the appeal, which will shorten the process of premium negotiation.

Also, to expedite the processing of specific types of lease modification applications, the Government introduced a standard rate approach for charging premium in the past few years, which provides applicants with an alternative option in addition to the conventional assessment mechanism, through promulgating in advance a set of standard rates for providing certainty. For example, apart from the standard rates applicable to the land exchange applications in new development areas (NDAs) under the "Enhanced Conventional New Town Approach" as mentioned, the Government introduced the standard rates for charging land premium for exemption of gross floor area arising from the adoption of Modular Integrated Construction in end-2022; regularised the standard rates applicable to the redevelopment of aged industrial buildings (IBs) across Hong Kong in end-2023 to provide continued incentive for redevelopment of aged IBs and thereby expedite urban renewal; and rolled out the standard rates arrangement for lease modifications involving development of agricultural land in the New Territories (NT) outside NDAs to unlock the development potentials of agricultural land in the NT. The Development Bureau will continue to keep the implementation of standard rates under review, and will further study whether to expand the standard rates approach for charging premium approach in light of implementation experience and relevant policy considerations.

To adopt a facilitating and collaborative mindset as a "facilitator", the LandsD has implemented measures to further expedite the processing of lease modification and land exchange cases. In terms of the approval process, the LandsD has already streamlined the local consultation process. For cases where local consultation had already been conducted at the stage of planning application, the LandsD will avoid repeated consultation as far as practicable during the lease processing stage. In addition, prior to consulting relevant bureaux/departments regarding the development projects, the LandsD will hold partnership meetings in advance with the applicants on a need basis so as to clarify the key elements of the applications and discuss other potential issues that may need to be tackled with the applicants early, thereby expediting approval process. Also, the LandsD will accept requests for advance processing of lease modification and land exchange applications in association with rezoning applications approved by the Town Planning Board under section 12A of the Town Planning Ordinance with a set of development parameters clearly defined/firmed up. This means that there is no need to wait until the whole statutory rezoning procedure is completed before the

processing could commence.

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## LCQ19: Capitalist system and way of life in Hong Kong

Following is a question by the Hon Lam San-keung and a written reply by the Secretary for Constitutional and Mainland Affairs, Mr Erick Tsang Kwok-wai, in the Legislative Council today (March 26):

Question:

Article 5 of the Basic Law provides that Hong Kong's "previous capitalist system and way of life shall remain unchanged for 50 years". The President of the State has also repeatedly praised that "one country, two systems" is a good policy which "must be adhered to in the long run". Moreover, there are views that the Extension of Government Leases Ordinance (Cap. 648), which came into force in July last year, ensures that the vast majority of land in Hong Kong will have the leases automatically extended for a term of 50 years upon their expiry in 2047. However, it is learnt that the international community and global investors have all along been worried that there is a "2047 time limit" for Hong Kong's capitalist system. In this connection, will the Government inform this Council of the efforts made to allay the concerns of the international community about the 2047 time limit, and how to strengthen the relevant publicity work in the future?

Reply:

President,

The reply to the Hon Lam San-keung's question is as follows:

At the meeting celebrating the 25th anniversary of Hong Kong's return to the motherland in 2022, President Xi Jinping said that, "'One country, two systems' has been tested repeatedly in practice. It serves the fundamental interests of not only Hong Kong, but also those of our country and the nation, so there is no reason for us to change such a good policy, and we must adhere to it in the long run." President Xi reiterated in his report to the 20th National Congress that "the policy of 'one country, two systems' is a great innovation of socialism with Chinese characteristics. It has proven to be the best institutional arrangement for ensuring sustained prosperity and stability in Hong Kong after its return to the motherland. The policy must be adhered to over the long term." These fully demonstrate to the world the Central Authorities' firm commitment to the principle of "one country, two systems", which will not be altered, nor shaken. Further, it is essential to ensure that "one country, two systems" is fully and faithfully implemented in Hong Kong without being bent or distorted, and will always advance in the

right direction. To make it clear to the world that it is our country's enduring policy to implement "one country, two systems" resolutely, fully and faithfully, and to showcase the historic and significant achievements made under "one country, two systems" since its implementation, the HKSAR Government will continue to spare no effort in external promotion and telling the good stories of "one country, two systems" and Hong Kong. This includes widely promoting the successful implementation of "one country, two systems" and Hong Kong's various strengths and opportunities through overseas visits by senior officials in meeting with dignitaries, the business sector, the media and Chinese groups, and through different activities organised by the overseas Economic and Trade Offices, such as meetings with local governments and organisations, media interviews and seminars. We will also actively encourage different organisations to host major international events in Hong Kong, bringing people from all over the world and all walks of life to witness the rapid development of Hong Kong and our remarkable achievements in the implementation of "one country, two systems".

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## **Temporary suspension of LCSD's Mobile Library 3, 9 and 11 services**

Mobile Libraries 3, 9 and 11 will suspend services during designated periods in April for maintenance, a spokesman for the Leisure and Cultural Services Department announced today (March 26).

Mobile Library 11 will suspend services from April 2 to 15. The affected service points are Sun Chui Estate and Kwong Yuen Estate in Sha Tin; Kwai Shing West Estate, Kwai Shing East Estate and Lai Yiu Estate in Kwai Chung; Tin Wah Estate in Tin Shui Wai; Wan Tau Tong Estate and Tai Yuen Estate in Tai Po; Cheung Ching Estate and Easeful Court in Tsing Yi; and Po Tin Estate in Tuen Mun. For enquiries about Mobile Library 11 services, please call 2479 1055.

Mobile Library 3 will suspend services from April 7 to 12. The affected service points are Shan King Estate, Siu Hong Court, Sam Shing Estate and Fu Tai Estate in Tuen Mun; Kingswood Country Club and Tin Ching Estate in Tin Shui Wai; and Fairview Park in Yuen Long. For enquiries about Mobile Library 3 services, please call 2450 1857.

Mobile Library 9 will suspend services from April 7 to 17. The affected service points are South Horizons in Ap Lei Chau, Sheung Wan Cultural Square, Tin Wan Estate in Aberdeen, Oi Tung Estate in Aldrich Bay, Tai Hong Street in Lei King Wan and Heng Fa Chuen in Chai Wan. For enquiries about Mobile Library 9 services, please call 2505 4690.

Readers are welcome to use other public libraries during the service suspension periods. They may also renew library materials by telephoning 2698

0002 or 2827 2833, or via [www.hkpl.gov.hk](http://www.hkpl.gov.hk).