

LCQ17: US policy towards Hong Kong

Following is a question by the Hon Wu Chi-wai and a written reply by the Secretary for Commerce and Economic Development, Mr Edward Yau, in the Legislative Council today (June 10):

Question:

On the 28th of last month, the National People's Congress decided that its Standing Committee be entrusted to formulate laws relating to establishing and improving the legal system and enforcement mechanisms for the Hong Kong Special Administrative Region (HKSAR) to safeguard national security. The Department of State of the United States (US) forthwith submitted a report to the US Congress stating that as the HKSAR had failed to maintain a high degree of autonomy, it did not warrant special treatment. The US President then announced the commencement of the process for revoking the special treatment for Hong Kong, e.g. statuses as a separate customs territory and as a separate travel territory, and exemptions from the US export controls on dual-use technologies. In this connection, will the Government inform this Council:

(1) of the quantities and values of those high technology products which were exempted from the US export controls and imported from the US to the HKSAR in each of the past three years, with a tabulated breakdown by type of product; whether it has assessed, among such products, which types of products will require export licences in future before they may be imported into HKSAR;

(2) whether the Government and the relevant public organisations (including the Hong Kong Science and Technology Parks Corporation and Hong Kong Cyberport Management Company Limited) have assessed the impacts of the US authorities' revocation of the exemptions granted to the HKSAR regarding technologies export controls on the development of the local innovation and technology industry, and what corresponding measures will be put in place;

(3) whether it has assessed the impacts of the US authorities' revocation of HKSAR's statuses as a separate customs territory and as a separate travel territory on (i) the import, export and re-export trade of the HKSAR, and (ii) HKSAR residents' application for US visas;

(4) whether it has assessed the impacts of the US authorities' revocation of the special treatment for the HKSAR on Hong Kong's overall economy, and what corresponding measures the Government will put in place; and

(5) as the Ministry of Foreign Affairs has indicated earlier that if countries such as the US and the United Kingdom impose sanctions or other measures on the HKSAR, China will take all necessary countermeasures, whether the HKSAR Government (i) knows the details of such countermeasures, (ii) has to take actions to dovetail with the implementation of such countermeasures, and (iii) has assessed the impacts of such countermeasures on Hong Kong?

Reply:

President,

Having consulted the Innovation and Technology Bureau (ITB), our consolidated response to the question is as follows:

The US has gained much from the economic and trade activities with Hong Kong. In 2019, the total merchandise trade between Hong Kong and the US stood at HK\$517 billion (i.e. 6.2 per cent of Hong Kong's total merchandise trade), whereas Hong Kong's domestic exports to the US was HK\$3.7 billion, accounting for less than 2 per cent of local manufacturing output and less than 0.1 per cent of Hong Kong's total exports. But on the other hand, over the past decade (from 2010 to 2019), the aggregate merchandise trade surplus the US enjoyed over Hong Kong reached around US\$310 billion. In 2019 alone, the US enjoyed a merchandise trade surplus of over US\$26 billion with Hong Kong, the highest among its trading partners.

While the US said it would change its policy towards Hong Kong, we need to examine its actual actions before we can make a substantive assessment. Generally speaking, if the US is to take any unilateral actions, while the associated uncertainties may cause some disturbances to business sentiment in the near term, the Hong Kong economy, with its resilience and sound fundamentals, including the rule of law, an independent judiciary, free and open trade policies and a level-playing field, will be able to overcome the challenges and remain on track for sustainable development.

In recent years, the Government and the industry and commercial sectors have been doubling efforts in diversifying markets, including focusing more on the fast-growing Association of Southeast Asian Nations (ASEAN) economies, which taken as a whole is Hong Kong's second largest trading partner, and economies along the Belt and Road. Further to the Mainland and Hong Kong Closer Economic Partnership Arrangement, Hong Kong has signed seven free trade agreements (FTAs) with different economies, including New Zealand, the Member States of the European Free Trade Association, Chile, Macao, ASEAN, Georgia, and Australia. Since January 2020, the geographical scope coverage of the Dedicated Fund on Branding, Upgrading and Domestic Sales has been extended from the Mainland and ASEAN to cover other economies with which Hong Kong has signed FTAs, so as to provide funding support to Hong Kong enterprises in developing these markets. The Government will continue to expand the FTA network with a view to securing favourable conditions for Hong Kong's goods and services to enter other markets.

In respect of strategic commodities, according to the statistics published by the US Department of Commerce's Bureau of Industry and Security (BIS), US exports which are subject to export control and shipped to Hong Kong under BIS Licence Exception were about US\$400 to 500 million per year in 2016, 2017, and 2018, and they were mainly telecommunications and information security products and electronics. The impacts of these products in obtaining the US export authorisation will depend on the export control measures

eventually taken by the US Government. ITB assesses that while any policy changes may have certain impact on related industries in the short term, the impact on the long-term development of Hong Kong's innovation and technology (I&T) would be relatively limited. In recent years, various I&T stakeholders in Hong Kong have been sourcing equipment and technology products from around the world, or developing related products and technologies locally. Hence, any policies adopted by individual regions should not have material impact on Hong Kong's I&T development.

LCQ7: Support provided for street sleepers

Following is a question by the Hon Chan Hoi-yan and a reply by the Secretary for Labour and Welfare, Dr Law Chi-kwong, in the Legislative Council today (June 10):

Question :

With subventions provided by the Social Welfare Department (SWD), three non-governmental organisations (NGOs) currently operate an Integrated Services Team for Street Sleepers each to provide integrated services for street sleepers. In addition, the Integrated Family Service Centres and Integrated Services Centres run by SWD or NGOs provide relevant support for street sleepers. The economic downturn that occurred over the past six months has rendered quite a number of people homeless, and the number of street sleepers has been on the rise. I have learnt, however, that owing to the Coronavirus Disease 2019 epidemic, the support received by street sleepers has been reduced rather than increased. In this connection, will the Government inform this Council:

- (1) of the number of street sleepers as registered in SWD's computerised Street Sleepers Registry in each of the past five years, with a breakdown by the District Council district where the street sleeping points were located;
- (2) of the method(s) currently adopted for compiling statistics on the number of street sleepers; whether it has projected the number of street sleepers in the coming three years for the purpose of assessing service demand;
- (3) of the number of hostel places for street sleepers provided by NGOs in each of the past five years, with a breakdown by whether they were subvented or self-financed places;
- (4) whether it has set a target number of hostel places for street sleepers; if so, of the details (including the criteria adopted); if not, the reasons for that;

(5) whether it has taken measures during the epidemic to assist the various relevant organisations in continuing to provide support for street sleepers; if so, of the details; if not, the reasons for that; and

(6) whether it has formulated measures or guidelines to ensure that street sleepers will still receive the various kinds of support under special circumstances (e.g. inclement weather and an epidemic); if so, of the details; if not, whether it will consider formulating the relevant measures or guidelines?

Reply :

President,

My reply to the Member's question is as follows:

(1) &(2) The Social Welfare Department (SWD) has been reaching out and providing services to street sleepers in need through subventing three Integrated Services Teams for Street Sleepers (ISTs) operated by non-governmental organisations (NGOs) (including The Salvation Army, St. James' Settlement and Christian Concern for The Homeless Association) and related service units, as well as collecting service user information. With this arrangement, SWD collects information as reference for service planning. The number of street sleepers who had been approached by relevant service units over the past five financial years by district is at Annex (Table 1).

(3) & (4) To address the emergency and short-term accommodation needs of street sleepers, SWD subsidises NGOs to provide temporary shelter for street sleepers. During street sleepers' stay in the emergency and short-term accommodation, responsible social workers will provide them with assistance, including identification of more stable accommodation or appropriate residential care service. SWD will closely monitor the supply and demand of places and conduct service planning regularly. The number of places available for street sleepers at emergency / temporary shelters / hostels / short-term hostels subvented by SWD or operated by NGOs on a self-financing basis over the past five years is at Annex (Table 2).

(5) During the pandemic, ISTs continued to conduct outreaching visits so as to identify the social welfare needs of street sleepers and provide them with the services required. ISTs could make use of SWD's emergency fund for meeting the urgent needs of street sleepers as and when required. In addition, to assist welfare units to step up preventive measures against the spread of the virus, SWD has provided three rounds of special allowance to subvented NGOs (including service units serving street sleepers) and NGOs operating hostels for street sleepers on a self-financing basis to purchase personal protective equipment and disinfection supplies.

(6) According to the Funding and Service Agreement signed between SWD and the subvented NGOs, ISTs are responsible for cold weather-related work, including taking measures to help street sleepers prepare for extreme cold weather

before it arrives, and providing outreaching services to the street sleepers in need under cold weather. During the pandemic, besides outreaching and counseling work, ISTs also provide virus prevention supplies and related health information for street sleepers in need.

LCQ19: Convalescent plasma treatment

Following is a question by Dr the Hon Chiang Lai-wan and a written reply by the Secretary for Food and Health, Professor Sophia Chan, in the Legislative Council today (June 10):

Question:

It has been reported that the treatment method which makes use of the convalescent plasma (convalescent plasma treatment) donated by people recovered from Coronavirus Disease 2019 (COVID-19) has certain curative effect on treating COVID-19 patients. The conditions of two patients of serious cases were substantially improved after they had received such treatment. In this connection, will the Government inform this Council:

(1) whether it knows the current stock of convalescent plasma in public hospitals and the estimated number of patients who may be treated with such stock; whether the Hospital Authority has set a target for the stock of convalescent plasma, so as to tackle the eventuality in which the COVID-19 epidemic rages on again in winter this year;

(2) if it knows the criteria adopted by doctors of public hospitals for deciding whether or not to apply convalescent plasma treatment in treating COVID-19 patients; how such treatment compares with other treatments in terms of efficacy in treating COVID-19 patients; and

(3) given that only eight out of the 1 000-odd people recovered from COVID-19 in Hong Kong have donated their convalescent plasma, whether such proportion meets the Government's expectation; if so, of the reasons for that; if not, the measures in place to boost the number of donors; whether it knows the reasons why people who have recovered from that disease refuse to donate their plasma?

Reply:

President,

The convalescent plasma donated by patients who have recovered from coronavirus disease-2019 (COVID-19) is currently being used by the Hospital Authority (HA) for the clinical purpose of treating other patients. In consultation with HA, my reply to the various parts of the question raised by

Dr the Hon Chiang Lai-wan is as follows:

(1) As at May 31, 2020, the Hong Kong Red Cross Blood Transfusion Service (BTS) had collected a total of 12 units of convalescent plasma respectively donated by eight patients who have recovered from COVID-19. On clinical application, four units of convalescent plasma have been applied to three patients in critical condition. Convalescent plasma can be stored for one year. HA and BTS have not set any target for the reserve of convalescent plasma at the moment, but will continue to recruit donors and collect donations as needed to prepare for the development of the epidemic in future.

(2) In accordance with HA's relevant guidelines on clinical management, the use of convalescent plasma for treatment may be considered for severe cases with acute respiratory distress syndrome upon assessment by doctors of the intensive care unit and doctors of infectious diseases. Preliminary data of a study by the University of Hong Kong showed that the viral load of COVID-19 patients was significantly reduced after receiving convalescent plasma treatment. The results of further clinical studies are still needed before a comparison with other treatment methods can be made.

(3) To ensure that the recovered COVID-19 patients are healthy and that the plasma collected is safe for use, with reference to local and overseas experiences in the collection and application of convalescent plasma as well as the blood donation guidelines laid down by BTS, the following factors will be considered when screening for suitable donors:

- (i) donors must be males aged between 18 and 60 without serious illnesses, and a neutralisation antibody titre of at least 1:160 must be attained at a follow-up consultation;
- (ii) donors must meet the basic criteria for blood donation and, having been briefed by a clinician, consent to a referral to BTS for joining the donation scheme; and
- (iii) donors will donate their plasma, with blood drawn from a vein, through an apheresis procedure with the aid of a blood cell separator.

Some potential donors cannot meet the basic criteria for blood donation due to various reasons. For example, some of them had stayed in relevant foreign regions and deferral of blood donation is required due to the risk of exposure to variant Creutzfeldt-Jakob Disease. HA and BTS will continue to recruit suitable donors.

LCQ9: Installation of electric vehicle charging facilities in private

residential buildings

Following is a question by the Hon Wilson Or and a written reply by the Secretary for the Environment, Mr Wong Kam-sing, in the Legislative Council today (June 10):

Question:

Some suppliers of electric vehicle (EV) charging facilities (suppliers) install for private residential buildings EV charging-enabling infrastructure (the infrastructure) in their common parts, as well as install chargers at the public parking spaces and private parking spaces of interested owners of such buildings. Such suppliers charge the owners' corporations (OCs) concerned a fee for installation of the infrastructure and enter into a five-year service contract with the owner of each of such private parking spaces. Under such contracts, the owners of the parking spaces concerned, after making a lump-sum payment and a monthly fee, may charge their EVs for unlimited number of times. Given that the Building Management Ordinance (Cap. 344) provides that any goods or services the value of which exceeds or is likely to exceed the sum of \$200,000, or a sum which is equivalent to 20 per cent of the annual budget of the OC concerned, must be procured by the corporation by way of invitation to tender, such suppliers pass on part of the installation cost of the infrastructure to the owners of private parking spaces when such cost exceeds the said sum, so as to avoid the situation that OC is obliged to invite tenders. In this connection, will the Government inform this Council:

(1) given that the aforesaid works on installation of the infrastructure are not approved at a general meeting of an OC, but the OC (i.e. all owners) concerned need to bear the costs for such infrastructure's repair and maintenance as well as insurance premiums in future, whether the Government has assessed if the aforesaid arrangements are fair to the various types of owners (especially those owners who own parking spaces but do not intend to use the charging facilities or those who do not have a parking space);

(2) as the Government has not regulated the contents of the contracts on charging services signed between the suppliers and the owners of private parking spaces, whether the Government received any relevant complaints in the past three years and whether it will regulate such contracts, so as to prevent the occurrence of a situation similar to the proliferation of telecommunication services-related complaints in the past; and

(3) whether it has assessed if the practice of the suppliers to pass on part of the cost for installation of the infrastructure to the owners of private parking spaces in order to avoid competition has violated the principle of fair competition, and how it will follow up the matter?

Reply:

President,

Having consulted the Commerce and Economic Development Bureau (CEDB) and the Home Affairs Department (HAD), the consolidated reply to the question raised by the Hon Wilson Or is as follows:

(1) and (3) When procuring supplies, goods or services required in the exercise of its powers and the performance of its duties under the Deed of Mutual Covenant or the Building Management Ordinance (Cap. 344) (BMO), an owners' corporation (OC) shall comply with the requirements under the BMO, including:

(a) for any supplies, goods or services the value of which exceeds or is likely to exceed the sum of \$200,000, they shall be procured by invitation to tender by the OC; and

(b) for any supplies, goods or services the value of which exceeds or is likely to exceed 20 per cent of the annual budget of the OC:

(i) they shall be procured by invitation to tender by the OC; and

(ii) whether a tender is accepted or not shall be decided by a resolution passed by a majority of votes at a general meeting of the OC.

According to the BMO, in any legal proceedings in relation to a contract for the procurement of any supplies, goods or services, the court may make such orders (including whether the contract is void or voidable) and give such directions in respect of the rights and obligations of the contractual parties as the court thinks fit, having regard to all the circumstances of the case, including whether the contract has been split from a contract which should have been made for the procurement of supplies, goods or services of greater value for the sole purpose of avoiding the compliance of the above requirements.

If the procurement involves works on the installation of infrastructure, in general, the parties bearing the costs for the repair and maintenance as well as insurance premiums in future will depend on the relevant provisions under the Deed of Mutual Covenant of the building of the specific case. There are no such requirements under the BMO.

Furthermore, the procurement and payment arrangement for installation of charging facilities for the private residential buildings concerned are purely decisions made by the relevant OC as a consumer, and do not involve the issue of compliance with the Competition Ordinance.

(2) In the past three years, the Environmental Protection Department, the CEDB and the HAD have not received any complaint related to the contents of the contracts on charging services signed between suppliers and owners of private parking spaces.

LCQ12: Using the unoccupied Chun Yeung Estate as quarantine facilities

Following is a question by the Hon Michael Tien and a written reply by the Secretary for Food and Health, Professor Sophia Chan, in the Legislative Council today (June 10):

Question:

To tackle the epidemic, the Government has, since February this year, requisitioned the unoccupied Chun Yeung Estate in Fo Tan as quarantine facilities. Some prospective tenants who have accepted advance allocation of the units in the said estate have relayed to me that the deferral of the intake date has seriously upset their plans, and the prolonged delay in specifying a handover date for the units concerned has rendered them unable to make appropriate living arrangements. Some prospective tenants have suffered a drop in income as a result of the economic downturn, and yet they still have to continue to pay exorbitant rents for private housing. Also, quite a number of prospective tenants who have arranged their children to change schools even need to make arrangements for their children to travel to other districts to attend schools. In this connection, will the Government inform this Council:

- (1) of the conditions to be met for Chun Yeung Estate ceasing to be used as quarantine facilities, and the expected time for such conditions to be met;
- (2) of the disinfection procedures to be adopted for Chun Yeung Estate upon cessation of its use as quarantine facilities as well as the time needed; and
- (3) whether the Government will, apart from disbursing a one-off ex-gratia allowance of \$6,000 per household to the prospective tenants of Chun Yeung Estate, provide other support for them; if so, of the details?

Reply:

President,

Coronavirus Disease-2019 (COVID-19) is an unprecedented virus which is highly contagious and fast-spreading around the world, and the outbreak situation is evolving rapidly. Apart from admitting patients confirmed or suspected to be infected to hospitals for isolation and treatment, putting close contacts who are asymptomatic but may have been exposed to the risk of contracting COVID-19 (such as close contacts of confirmed patients or persons who have been to places of high transmission risk in the past 14 days) under compulsory quarantine at quarantine centres is also a crucial element of the anti-epidemic work.

The demand on quarantine facilities in Hong Kong has surged since the

end of January this year to cope with the quarantine arrangements for close contacts of local infection cases and imported cases, the immediate evacuation for the purpose of disease investigation of infection cases, the need to bring back Hong Kong residents who were stranded in Hubei Province and those on the Diamond Princess cruise, as well as persons recently returning from places such as Pakistan and India, etc. As at now, over 7 200 persons have been accommodated at quarantine centres, among whom 142 persons showed symptoms during their stay and were affirmed as confirmed cases subsequently. This demonstrates the effectiveness of quarantine centres in preventing community outbreaks.

In consultation with the Transport and Housing Bureau, my reply to various parts of the question raised by the Hon Michael Tien is as follows:

(1) Currently, Chun Yeung Estate accounts for over 80 per cent of the quarantine units provided by the Government. While the outbreak has slightly eased over the past month, over 200 units at Chun Yeung Estate have been used each day on average. Nevertheless, the Government has been setting up additional quarantine facilities through construction works. It is expected that the construction works at the government site and the site reserved for future tourism development at Penny's Bay would be completed by phase from July to September, providing some 1 500 additional units. If the epidemic situation stabilises and there is no local community outbreak with unknown sources by then, the Government will cease the use of Chun Yeung Estate as quarantine centre as soon as possible such that the prospective tenants can move in afterwards.

(2) The quarantine centres have been operated in accordance with the guidelines on infection control. Cleansing, sterilisation and waste disposal have been put in place appropriately. The refuse generated by confinees will be treated as clinical waste, which is collected and handled by licensed clinical waste collectors. After the decommissioning of Chun Yeung Estate as quarantine centre, the relevant government departments will immediately conduct thorough disinfection within a few days in accordance with the guidelines on infection control.

(3) The Housing Authority (HA) understands that applicants who have accepted the advance housing offer of Chun Yeung Estate may experience inconvenience or problems due to the deferred intake. The HA hence issued letters to the concerned prospective tenants on February 20 this year, informing them of the special arrangements, under which they may opt to (i) retain the advance allocated unit until flat intake and, where necessary, apply for admission to Po Tin Interim Housing in Tuen Mun District in the New Territories during the period; or (ii) cancel the current offer and be reallocated to another suitable unit in other housing estates in their original chosen district. The HA will endeavour to meet and accord priority to their needs, subject to public housing resources available for deployment and availability of suitable vacant Public Rental Housing (PRH) units.

Under the Anti-epidemic Fund set up by the Government, a one-off ex-gratia allowance of \$6,000 per household has been granted to eligible PRH

applicants who have accepted the advance allocation offer of Chun Yeung Estate, so as to help them tide over the problems and inconvenience caused by the deferred intake. The Government understands that the ex-gratia allowance under the Fund may not be able to resolve all the problems of the prospective tenants but hopes that this could provide some relief to meet their pressing needs. Cheques for the payment of the ex-gratia allowance have been issued to all the affected prospective tenants.