

IMF commends Hong Kong's strong buffers and prudent policy frameworks for ensuring continued stability

The International Monetary Fund (IMF) released a Staff Report today (January 25) which, substantiated by more detailed analysis, reinforces the conclusions of its assessment of Hong Kong's economic and financial positions published on December 12, 2018.

The IMF notes that Hong Kong's economy benefited from a strong cyclical upswing in 2017 and the momentum continued through the first half of 2018. Despite increasing near-term risks owing to trade tensions and tighter global financial conditions, many years of prudent macroeconomic policies have endowed Hong Kong with ample buffers for smoothening the transition and ensuring continued stability. The IMF commends Hong Kong in particular for maintaining robust financial regulation and supervision and reaffirms its long-standing support for the Linked Exchange Rate System (LERS), noting that it should remain as an anchor of economic and financial stability for Hong Kong. Noting initial signs of softening in the property market, the IMF considers it appropriate for Hong Kong to maintain its three-pronged approach of increasing housing supply and retaining tight macroprudential measures and demand side measures to safeguard financial stability. The IMF also applauds Hong Kong for its continued efforts to maintain competitiveness and expand its role as a leading financial centre, through various initiatives including the development of the Guangdong-Hong Kong-Macao Greater Bay Area, which could create growth opportunities through further regional economic integration.

The Financial Secretary, Mr Paul Chan, welcomed the IMF's positive assessment and recognition of Hong Kong's sound policies. "With ample buffers, strong economic fundamentals and a robust regulatory and supervisory framework, Hong Kong is well placed to navigate through the challenges ahead. As an international financial centre and the pivotal gateway to the Mainland of China, we will continue to sharpen our competitive edge and reap the opportunities from further regional economic integration, especially in the context of the Greater Bay Area development," he said.

The Chief Executive of the Hong Kong Monetary Authority, Mr Norman Chan, said, "I welcome the IMF's recognition of our robust regulatory and supervisory framework as well as its continued support for the LERS. I agree with the IMF's view that the macroprudential measures have helped contain systemic risks and should remain in place until there are more signs that the property cycle has turned. We will also continue to push forward initiatives, as highlighted by the IMF, to develop Hong Kong as an international financial centre, such as development of the bond market, fintech and green finance."

The IMF Mission visited Hong Kong from October 29 to November 9, 2018,

to conduct the annual IMF Article IV consultation. The Concluding Statement of the Mission's assessment was published on December 12, 2018. The Staff Report was considered and endorsed by the IMF Executive Board on January 10, 2019.

The IMF's press release on the Staff Report is attached in the Annex. The Staff Report can be accessed from the websites of the Financial Services and the Treasury Bureau (www.fstb.gov.hk) and the IMF (www.imf.org).

Proposed road connection between Hong Kong International Airport and Hong Kong-Zhuhai-Macao Bridge Hong Kong Port gazetted

The Government gazetted today (January 25) the proposed road connection between Hong Kong International Airport (HKIA) and Hong Kong-Zhuhai-Macao Bridge (HZMB) Hong Kong Port to meet the long-term traffic demand between HKIA and the HZMB Hong Kong Port.

Details of the proposal are set out in the Annex. The plan and scheme of the works are available for public inspection at the following government offices during office hours:

Central and Western Home Affairs Enquiry Centre,
G/F, Harbour Building,
38 Pier Road, Central, Hong Kong

Islands District Office Main Office,
20/F, Harbour Building,
38 Pier Road, Central, Hong Kong

Islands Home Affairs Enquiry Centre (Tung Chung),
1/F, Tung Chung Post Office Building,
6 Mei Tung Street, Tung Chung,
Lantau Island, Hong Kong

Islands Home Affairs Enquiry Centre (Mui Wo)
G/F, Mui Wo Government Offices,
2 Ngan Kwong Wan Road, Mui Wo,
Lantau Island, Hong Kong

Islands Home Affairs Enquiry Centre (Cheung Chau)
G/F, 22 San Hing Street,
Cheung Chau, Hong Kong

District Lands Office, Islands,
19/F, Harbour Building,
38 Pier Road, Central, Hong Kong

The gazette notice, scheme, plan and location plan will be available at www.thb.gov.hk/eng/psp/publications/transport/gazette/gazette.htm.

Any person who wishes to object to the works or the use, or both, is required to address to the Secretary for Transport and Housing an objection in writing, which can be submitted via the following means:

- By post or by hand to the Transport and Housing Bureau's drop-in box No. 6 located at the entrance on 2/F, East Wing, Central Government Offices, 2 Tim Mei Avenue, Tamar, Hong Kong. The box is available for use between 8am and 7pm from Monday to Friday (except public holidays);
- By fax to 2868 4643; or
- By email to gazettethb@thb.gov.hk.

A notice of objection should describe the objector's interest and the manner in which he or she alleges that he or she will be affected by the works or the use. Objectors are requested to provide contact details to facilitate communication. A notice of objection should be delivered to the Secretary for Transport and Housing not later than March 26, 2019.

Regional Traffic Day of Kowloon West

Police yesterday (January 24) held the Regional Traffic Day in Kowloon West to raise public awareness of road safety through stringent enforcement actions.

A total of 216 officers from Traffic Kowloon West and District Traffic Teams of Kowloon City, Mong Kok, Sham Shui Po and Yau Tsim Districts were deployed to take enforcement actions at traffic black spots in Kowloon West.

The operation resulted in the issue of 1,588 fixed penalty tickets and 127 summonses. Among the fixed penalty tickets and summonses issued, a total of 1,464 fixed penalty tickets were issued for illegal parking and the rest were for other traffic offences.

Police figures revealed that a total of 3,346 traffic accidents involving casualties occurred in Kowloon West in 2018, of which 802 cases involved pedestrian injuries.

Police will continue to take regular enforcement actions to ensure road safety.

Non-livelihood related fees for services under Waterworks Ordinance to be adjusted

The Government published in the Gazette today (January 25) the Waterworks (Amendment) Regulation 2019 to adjust 25 fees for services specified in Schedule 1 of the Waterworks Regulations (Cap. 102A) made pursuant to the Waterworks Ordinance (Cap. 102).

The services cover the following categories:

1. Fees for making a connection to the mains and installing (including reinstatement of the ground surface) the part of a fire service or inside service on land held by the Government for pipes of any size up to and including 40 mm in diameter;
2. Fee for reconnecting a fire service or inside service;
3. Fee for providing and installing a meter;
4. Fee for providing a meter;
5. Fee for resealing a fire service or meter;
6. Fees for testing a meter or a private check meter (including removal and refixing);
7. Fees for the issuance, renewal and examination of plumber's licence;
8. Fee for the issuance of fishing licence;
9. Fees for the examination of a water sample;
10. Fee for each attendance for collection of any sample or samples; and
11. Fee for providing additional copy of examination report.

"In line with the 'user pays' principle, it is Government's policy that fees and charges should in general be set at levels adequate to recover the full cost of providing the services. In order to achieve full cost recovery gradually and to avoid a steep fee increase, the existing 25 fees for services that are non-livelihood related will be increased by about 6.2 per cent to 31.6 per cent," a spokesman for the Development Bureau said.

The Regulation will be tabled at the Legislative Council on January 30. Subject to approval by negative vetting, the revised fees will come into effect on March 29.

Proposed road works associated with Intermodal Transfer Terminal at Airport gazetted

The Government gazetted today (January 25) the proposed bonded vehicular bridge and associated road works outside the Airport Island to provide a new road link between Hong Kong International Airport (HKIA) and the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port for the transfer passengers at HKIA.

Details of the proposal are set out in the Annex. The plan and scheme of the works are available for public inspection at the following government offices during office hours:

Central and Western Home Affairs Enquiry Centre,
G/F, Harbour Building,
38 Pier Road, Central, Hong Kong

Islands District Office Main Office,
20/F, Harbour Building,
38 Pier Road, Central, Hong Kong

Islands Home Affairs Enquiry Centre (Tung Chung),
1/F, Tung Chung Post Office Building,
6 Mei Tung Street, Tung Chung,
Lantau Island, Hong Kong

Islands Home Affairs Enquiry Centre (Mui Wo)
G/F, Mui Wo Government Offices,
2 Ngan Kwong Wan Road, Mui Wo,
Lantau Island, Hong Kong

Islands Home Affairs Enquiry Centre (Cheung Chau)
G/F, 22 San Hing Street,
Cheung Chau, Hong Kong

District Lands Office, Islands,
19/F, Harbour Building,
38 Pier Road, Central, Hong Kong

The gazette notice, scheme, plan and location plan will be available at www.thb.gov.hk/eng/psp/publications/transport/gazette/gazette.htm.

Any person who wishes to object to the works or the use, or both, is required to address to the Secretary for Transport and Housing an objection in writing, which can be submitted via the following means:

- By post or by hand to the Transport and Housing Bureau's drop-in box No. 6 located at the entrance on 2/F, East Wing, Central Government Offices, 2 Tim Mei Avenue, Tamar, Hong Kong. The box is available for use between 8am and 7pm from Monday to Friday (except public holidays);
- By fax to 2868 4643; or
- By email to gazettethb@thb.gov.hk.

A notice of objection should describe the objector's interest and the manner in which he or she alleges that he or she will be affected by the works or the use. Objectors are requested to provide contact details to facilitate communication. A notice of objection should be delivered to the Secretary for Transport and Housing not later than March 26, 2019.