

14 building plans approved in August

The Buildings Department approved 14 building plans in August, with four on Hong Kong Island, six in Kowloon and four in the New Territories.

Of the approved plans, eight were for apartment and apartment/commercial developments, two were for commercial developments, and four were for community services developments.

In the same month, consent was given for works to start on 10 building projects which, when completed, will provide 64 505 square metres of gross floor area for domestic use involving 1 502 units, and 38 346 sq m of gross floor area for non-domestic use. The department has received notification of commencement of superstructure works for three building projects.

The department also issued 15 occupation permits, with two on Hong Kong Island, five in Kowloon and eight in the New Territories.

Of the buildings certified for occupation, the gross floor area for domestic use was 69 576 sq m involving 2 319 units, and 18 417 sq m was for non-domestic use.

The declared cost of new buildings completed in August totalled about \$3.3 billion.

In addition, four demolition consents were issued.

The department received 2 409 reports about unauthorised building works (UBWs) in August and issued 702 removal orders on UBWs.

The full version of the Monthly Digest for August can be viewed on the Buildings Department's homepage (www.bd.gov.hk).

Expansion of Residential Care Services Scheme in Guangdong announced

The Social Welfare Department (SWD) announced today (October 22) that seven additional residential care homes for the elderly (RCHEs) (among which five are operated by Mainland organisations and two are operated under a partnership formed by Hong Kong organisations and Mainland elderly service operators), located in Guangzhou, Foshan and Zhongshan respectively, will become Recognised Service Providers under the Residential Care Services Scheme in Guangdong starting from November 1 to provide subsidised care and attention places for elderly persons joining the Scheme.

The information of the additional RCHEs is as follows:

	Name of RCHEs	Location of RCHEs
Guangzhou		
1.	Home For The Aged Nansha (Yinian Medical Senior Citizen)	North Side of Qilin Middle School, Huangge Town, Nansha District, Guangzhou
2.	Yishou Enjoylife Elderly Care Guangdong Guangzhou Luhujiazhanghui Nursing Home Branch	64-1 Hengzhigang Road, Yuexiu District, Guangzhou
3.	Guangzhou Tianyue Hexihui Home for the Elderly	6 Renrui New Street, Pazhou, Haizhu District, Guangzhou
4.	Guangzhou Chunxuanmao Chenchong Senior Living Service Co, Ltd (Operated under the partnership formed by The Lok Sin Tong Benevolent Society Kowloon and a Mainland elderly service operator)	200 Chenchong Road, Panyu District, Guangzhou
Foshan		
5.	Foshan Canopusland Co, Ltd	24 North Fenjiang Road, Chancheng District, Foshan
6.	Hetai Center (Operated under the partnership formed by Jane's Home Limited and a Mainland elderly service operator)	3 Shuiyun Road, Junlan Community, Beijiao Town, Shunde District, Foshan
Zhongshan		
7.	Zhongshan Torch Development Zone Yikang Senior Services Center	Qiguan East Road, Torch Development Zone, Zhongshan

Taking into account the two RCHEs in Shenzhen, one in Foshan and one in Zhaoqing, the total number of RCHEs registered under the Scheme will increase to 11 in five Mainland cities in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) to provide more choices for the elderly who are interested in retiring in Mainland cities in the GBA.

Details of the Scheme are available at the SWD website (www.swd.gov.hk/en/pubsvc/elderly/cat_residentcare/subrcheplace/guangdong/index.html).

SFST's speech at MaGESpire Game On! 2024 (English only)

Following is the speech by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, at MaGESpire Game On! 2024 today (October 22):

Distinguished guests, ladies and gentlemen,

I am honoured to join you today at MaGESpire Game On! 2024. This event unites innovators, technology enthusiasts, and industry leaders to explore the evolving landscape of technology and its role in shaping our modern economy. Together, we will examine the synergies between the financial services, technology, and virtual asset sectors as we forge our future. As many of you, the pioneers of Web3, know, Hong Kong is rapidly establishing itself as a global hub for virtual assets. We can encapsulate this progress with our "web" of three focuses: a warehouse of talent and investment, the evolution of money and technology, and a breakthrough to establish a new fintech innovation ecosystem.

Warehouse of talent and investment

In recent years, the Web3 industry has emerged as a transformative force in the global economy, reshaping the financial services landscape and creating new opportunities. I am proud to say that Hong Kong has become a magnet for talent and investment, with over 220 Web3 companies from more than 20 countries setting up operations in our vibrant city. These include key players in virtual asset exchanges, blockchain infrastructure, network security, and payment sectors. This influx of innovation underscores the supportive environment we are cultivating.

With the rise of virtual assets, the intersection of innovative technology and financial services presents unique opportunities for economic growth. In October 2022, we issued a Policy Statement on the Development of Virtual Assets in Hong Kong, outlining our vision and policy direction. We recognise that innovation must thrive within a robust regulatory framework that ensures the security and stability of our financial ecosystem. In 2023, we introduced a licensing regime for virtual asset service providers, granting them the credibility needed to access a broader base of investors in Hong Kong. Currently, we have three licensed providers and 11 applicants in the pipeline, reinforcing our commitment to a well-regulated market.

Looking ahead, we plan to amend regulations further, including bringing over-the-counter trading of virtual assets and virtual asset custodian service providers under our regulatory purview. We are also establishing a regulatory regime for stablecoin issuers, and the Hong Kong Monetary Authority (HKMA) has launched a sandbox for institutions to test their operational plans. These initiatives ensure that our regulatory framework remains comprehensive and responsive to the fast-changing landscape of the virtual assets sector.

A landmark achievement for Hong Kong was the launch of the first spot Bitcoin and Ether exchange-traded funds (ETFs) in Asia this past April, positioning us to capture the benefits of these underlying technologies. The listing of virtual asset spot ETFs represents a significant milestone in Hong Kong's ETF market development, driving innovation and economic growth for all.

Evolution of money and technology

The Government acknowledges the critical importance of advancements in digital money. A recent market study revealed that around 90 per cent of the world's central banks and 134 countries are currently exploring central bank digital currencies (CBDCs). A particularly exciting development in our fintech landscape is the progression of CBDCs. In March of this year, the HKMA announced Project Ensemble, an initiative focusing on a wholesale central bank digital currency (wCBDC) to support the tokenisation market in Hong Kong. We remain committed to developing innovative financial market infrastructures that enable interbank settlements of tokenised money through wCBDC.

In recent months, we have made substantial strides in cultivating a vibrant ecosystem for fintech innovation. Our multi-pronged approach includes expanding the cross-boundary e-CNY pilot programme to provide safe and convenient retail payment solutions for residents in both regions, as well as commencing Phase 2 of the e-HKD Pilot Programme to explore innovative use cases for new forms of digital currency, including e-HKD and tokenised deposits. These initiatives reflect our dedication to enhancing financial connectivity and driving technological advancement in Hong Kong.

Breakthrough to establish a new fintech innovation ecosystem

Across various industries, we are witnessing a significant uptick in the adoption of artificial intelligence (AI) in business operations. Companies are increasingly leveraging AI across multiple facets of their operations. A market report indicates that many regions are making significant progress in adopting Generative Artificial Intelligence (GenAI).

The development of AI has become a major global trend. As an international financial centre with a robust capital market, Hong Kong attracts the world's top financial institutions and talent, providing professional financial services that capitalise on this exciting opportunity. According to the latest Global Financial Centres Index, Hong Kong ranks ninth in fintech offerings, placing us among the top 10 fintech hubs globally. This year, we launched the GenAI Sandbox in August, empowering banks to pilot innovative GenAI use cases within a risk-managed framework, supported by essential technical assistance and targeted supervisory feedback. As announced last week in the 2024 Policy Address, we will issue a policy statement outlining our policy stance to the application of AI in financial markets, as well as promoting real-world asset tokenisation and developing a digital money ecosystem.

In closing, I want to emphasise that the future of the fintech sector is

bright, presenting tremendous opportunities. For example, the tokenised asset market is projected to reach US\$30 trillion by 2034. As we gather here today, I urge all of you – our Web3 investors – to collaborate and share ideas. You are the architects of a future filled with limitless possibilities. Together, we can explore the potential of the Web3 market and develop innovative business models.

As we embark on this exciting journey, our collaborative efforts will undoubtedly create a thriving virtual asset ecosystem and contribute to Hong Kong's financial innovation. I look forward to witnessing the remarkable ideas and projects that will emerge from this event. Thank you.

Remarks by CE at media session before ExCo (with video)

Following are the remarks by the Chief Executive, Mr John Lee, at a media session before the Executive Council meeting today (October 22):

Reporter: Good morning, Mr Lee. A few questions. Last year, you set a total of 150 indicators for specified tasks, and completed all of them but six in your Policy Address, and this year, 138 indicators. How do you see the success rate for last year and how many of them the Government can complete this year? For the second question, as the first phase of disposable plastics ban is now in full force, what can businesses expect to happen in terms of enforcement action, and when the second phase could begin? Thank you.

Chief Executive: I set indicators for the purpose of, first of all, ensuring that the result-oriented culture will be fully established and practised in the Government. This is a new policy, which was introduced when I assumed office in 2022. I am glad to see that, overall, the performance in this area has been satisfying my requirement. Last year, there were six items that did not meet the original target time, but there are reasons which I think I can accept, because the purpose of setting all these indicators is to ensure that we produce the results we want, and also, if there are situations where we can produce even better results, and some time may be taken to ensure that, I think that is a reasonable thing to do. Six out of 150, I think, is a result that is conforming to my requirement.

One more important thing of setting all these indicators is that indicators are means; indicators are not themselves an end. We must see how these indicators will work for us. What is important, other than the number that has been indicated to you, i.e., that over 140 targets have been met satisfactorily, is also to look for other indicators which come out very objectively. These are international indicators, as I have mentioned in my Policy Address. For all these results, the purpose is to check whether the policy directives have been correctly set, because I believe if I set the

policy directives in the right direction, then I will reach my goal eventually, which will mean overall good for Hong Kong. I am glad to see that in these almost two and a half years of governance and also the new measures that we have introduced, the position of Hong Kong as an international financial centre has increased one position, so we have come back in the top three as an international financial centre. The measures we have taken are bringing results. Also, in regard to talent, the position of competitiveness has actually increased seven positions, and we have become within the top 10 in regard to talent. Also, for overall competitiveness internationally, we have moved up two positions, and we are the fifth most competitive economy.

We have the indicators I have set in the Policy Address, which I used to check whether the policy directions are set rightly, and also we do produce a result-oriented government. If there are things that we can do even better after the first indicators were set, and we proceed in that direction, then I think it is the result that I want, because, I want to repeat again: indicators are means to ensure that we achieve the end result we want. Internationally, these very objective indicators have shown that the policy directives have been set in the right direction. Thanks to the efforts of the Government and the community as a whole, we have actually produced good results and good success in some very important areas.

Regarding the plastic-free culture we want to build, we have already finished the first phase, which was the six-month adaptation period for the first phase of plastic products to be, first of all, no longer provided and also not offered for sale. I think this six-month adaptation period has gone on smoothly. Generally, I think the culture has been built, but of course, if, after this adaptation period, there are still occasions where the requirements have not been followed, we will take enforcement action. I think it is important to know that changing culture in this area really takes quite some time, so my policy is, while we need to have punishment, I mainly want this behavioural change to be one that will be taken on board by the majority of the people. It is not heavily punitive; rather, it is through allowing people to change behaviour, so that the community has more or less accepted this plastic-free culture.

I am glad to see that there are good results in the catering sector, in the building management sector, and in the hotel sector, which indicated that there has been a lot of disposable cutlery saved as a result of this plastic-free culture we want to build. Also, we will try to help industries or businesses to go through this process, so we will give people a reasonable period to correct. The responsible department, the Environmental Protection Department (EPD), has already indicated we will give 10 days for people to correct if it is discovered during their checks. Of course, if no correction is taken after 10 days, then enforcement action will be taken, and they will be punished in accordance with the law.

As regards the future, I think we want to go on to ensure that this plastic-free culture is more entrenched. We will, first of all, prepare society and the businesses, particularly when we decide as to how we will go to the next stage, i.e., whether there will be sufficient alternative products available in the market for society to move smoothly into the next

stage and, more importantly, affordable prices, because what we learned from the first phase is, despite the fact that we all subscribe to this plastic-free culture, it is an important change of behaviour; we also want businesses to be able to go through the process in a smooth manner, and people to be paying an affordable price for all this change of behaviour. These are the serious considerations the EEB (Environment and Ecology Bureau) will bear in mind to design how we proceed further.

(Please also refer to the Chinese portion of the remarks.)

Employer fined for violation of safety legislation

Swire Waste Management Limited was fined \$80,000 at the Fanling Magistrates' Courts today (October 22) for the violation of the Occupational Safety and Health Ordinance. The prosecution was launched by the Labour Department.

The case involved a fatal accident that occurred on December 25, 2023, in a landfill in Ta Kwu Ling. A worker, while carrying out refuse dumping work, was trapped between the trailer of a refuse container truck and a tipper. The worker sustained serious injuries and passed away on the same day.