

[Key statistics on service demand of A&E Departments and occupancy rates in public hospitals](#)

The following is issued on behalf of the Hospital Authority:

During the winter surge, the Hospital Authority closely monitors the service demand of Accident and Emergency Departments and the occupancy rates in public hospitals. Key service statistics are being issued daily for public information. Details are in the appended table.

[SFST's speech at International Actuarial Colloquium \(English only\)](#)

Following is the video speech by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, at the International Actuarial Colloquium this morning (April 27):

Alexander (President of the Actuarial Society of Hong Kong, Mr Alexander Wong), Micheline (President-Elect of the International Actuarial Association, Ms Micheline Dionne), Stephen (Chairman of the Insurance Authority (IA), Mr Stephen Yiu), distinguished guests, ladies and gentlemen,

It is my pleasure to join you today at the International Actuarial Colloquium. Carrying the theme "Global Pandemic – Beyond the New Normal", the two-day event has gathered over 400 senior actuaries and insurance professionals from Asia and around the world. It is a time for us to reflect on what we have learned from the fight against the pandemic, and to take a better look at what's in the new normal – the resilience of our insurance market and the enormous growth opportunities we are going to embrace.

Let me begin with "Resilience". Our insurance sector grew at an average rate of 5.9 per cent in the past five years from 2017 to 2021. We also ranked the first in terms of insurance penetration globally in 2020 – more than 20 per cent. A total of 13 of the world's top 20 insurers conduct their businesses in Hong Kong and a total of 17 insurance companies are currently listed on the HKEX, our stock exchange. By the end of 2021, their market value accounted for about 5.5 per cent of the total market value of our stock market, with six of them being the world's top 20 insurers by market value. In view of the opportunities presented by our market and the Greater Bay Area (GBA), many international financial institutions, including insurance

companies, banks and wealth-management companies, will continue to expand their presence in Hong Kong.

The fifth wave of the epidemic indeed presented unprecedented challenges to all of us in the past few months, and all along the Government has been providing facilitative measures and regular guidance to the financial sector to ensure our operational resilience. I am pleased to see the rationalisation of travel restrictions announced earlier this month by the Chief Executive, including lifting the flight ban and early discharge of returning Hong Kong residents from designated quarantine hotels. The Government also announced last week that starting May 1, non-Hong Kong residents will be allowed to enter from overseas upon their compliance with some testing and quarantine requirements. Together with the suitable adjustment to the triggering thresholds for the route-specific flight suspension mechanism, those measures have received a warm welcome at home and abroad, of course including the business sector. As we bring the pandemic under control and gradually resume daily lives, opportunities are knocking on our doors and it's time for our economy and market to get prepared for a rebound.

Before looking into the future, let's review what has been done to further develop our insurance market. First of all, we have put in place a new regulatory framework for the issuance of insurance-linked securities (ILS) in Hong Kong in March last year, and shortly after we also launched a two-year pilot subsidy scheme to promote the development of Hong Kong as an ILS domicile. These efforts brought us encouraging results as the first ILS, which is in the form of a catastrophe bond offering protection against losses inflicted by typhoons in the Mainland, was then issued in Hong Kong in October last year.

Also, to provide financial incentives for new business development, half-rate profits tax concessions are provided to selected businesses, including marine and specialty insurance from March last year. They will enhance the competitiveness of our insurance industry in seizing new opportunities, including those arising from the Belt and Road Initiative (BRI).

At the same time, we have also expanded the scope of risks that could be underwritten by captive insurers formed in Hong Kong, in order to better meet the risk-management needs of multinationals, including Mainland enterprises that are seeking to "go global". This allows Hong Kong to capture the opportunities presented by our country's 14th Five-Year Plan, which positions Hong Kong as a risk-management centre.

Now it is time to look into the future. With our mature insurance market and established legal structure, we are well placed to embrace the enormous growth opportunities in the Greater Bay Area market. A key focus is to work with the Insurance Authority to promote mutual access of the insurance market in the GBA.

Initiatives in the works include early establishment of after-sales service centres by our Hong Kong insurance industry in the Mainland cities of

the GBA, with a view to providing GBA residents who are holders of Hong Kong policies with comprehensive support in different areas including enquiries, claims and renewal of policies for eligible insurance policy types.

We are also striving for the early implementation of the unilateral recognition policy for Hong Kong motor vehicles entering Guangdong through the Hong Kong-Zhuhai-Macao Bridge control point, so as to extend the coverage of third-party insurance policies issued by Hong Kong insurers for these cross-boundary motor vehicles to cover third-party liability in the Mainland, thereby deeming such policies as equivalent to the mandatory traffic accident liability insurance in the Mainland.

I am also excited to tell you that two new measures are coming up. Later this year, a draft bill will be introduced to our Legislative Council on a risk-based capital regime. This will align Hong Kong's regulatory regime with international standards and make capital requirements more sensitive to the level of risk borne by insurance companies. The IA has maintained close contact with the industry in undertaking preparatory work, including conducting three rounds of Quantitative Impact Studies to collect data for assessing the outcome on the solvency level of insurers and consulting the industry on the legislative proposals.

Another measure to come is the Policy Holders' Protection Scheme (PPS), which will more effectively protect insurance policyholders' interests and maintain market stability in the event of insurer insolvency. This scheme will serve as a safety net for policyholders by compensating policyholders or securing the continuity of insurance contracts in case an insurer becomes insolvent. At present, the IA is conducting a consultancy study to update the key parameters of the PPS, such as target fund sizes and lead time for accumulation. We plan to conduct public consultation on the details of the proposed PPS this year and target to bring the bill to the Legislative Council in the subsequent legislative session.

The latest opportunities and developments in the international insurance markets have driven transformation in our local regime, and it is indispensable that regulation needs to keep pace with this ever-changing environment. To this end, the IA has established a new group-wide supervision framework last year for insurance groups with a view to meeting international standards and establishing Hong Kong as a preferred base for large insurance groups in the Asia-Pacific region.

On the other hand, in advancing Hong Kong's role as a risk-management centre under the 14th Five-Year Plan, the Government and the IA have several measures in place. Firstly, we have reached consensus with the China Banking and Insurance Regulatory Commission. Under the China Risk Oriented Solvency System, the capital requirement of Mainland insurers would be reduced when they cede business to eligible Hong Kong professional reinsurers. The consensus has been regularised since 2022 and this increases the competitiveness of Hong Kong reinsurers in obtaining insurance business ceded from Mainland insurers. A lower capital charge applicable to insurers will help lower insurance price and thereby better support Mainland enterprises in

their investments in the Belt and Road countries.

Speaking of the Belt and Road, I would also like to mention the launch of the Belt and Road Insurance Exchange Facilitation (BRIEF). This pools together a cluster of key stakeholders and fosters synergies in exploring the business prospects arising from BRI. So far, 43 companies and organisations, including insurers, captive insurers, risk-management experts, industry associations, etc, have joined BRIEF as members.

Last but not least, the IA also conceived the Specialty Risks Consortium to gather state-owned enterprises, captives, insurers, broker companies and risk advisers for deal matching and networking. Matching sessions have been arranged to probe into topics like political and credit risks, performance guarantee, employees' benefits, renewable energy, etc.

Ladies and gentlemen, just now I have shared with all of you the resilience of Hong Kong's insurance sector, and the opportunities we have in the future. Despite the many challenges brought by COVID-19, which should be transitory, we are confident that the fundamentals underpinning Hong Kong's status as an international financial centre – our robust financial system and ample growth opportunities – remain strong and intact. With the staunch support from all of you, the actuarial and insurance industry professionals, the Government is committed to developing Hong Kong into an international insurance hub and risk-management centre and I am more than confident we will work together to herald a better future.

Finally, my thanks to the Actuarial Society of Hong Kong and International Actuarial Association's Life and Pensions, Benefits and Social Security Sections for organising this event under the logistical challenges brought by the epidemic. May I take this opportunity to wish you all a rewarding colloquium today and tomorrow, and a healthy and successful year ahead in 2022. Thank you.

Government enforces “restriction-testing declaration” and compulsory testing notice in respect of specified “restricted area” in Tip Sum House, Butterfly Estate, Tuen Mun

The Government yesterday (April 26) exercised the power under the Prevention and Control of Disease (Compulsory Testing for Certain Persons) Regulation (Cap. 599J) to make a "restriction-testing declaration" effective

from 4.30pm yesterday, under which people (hereafter referred to as "persons subject to compulsory testing") within the specified "restricted area" in Tuen Mun (i.e. Tip Sum House, Butterfly Estate, Tuen Mun, excluding elderly home thereat and Butterfly Plaza) were required to stay in their premises and undergo compulsory testing. Persons subject to compulsory testing are required to stay in their premises until all such persons identified in the "restricted area" have undergone testing and the test results are mostly ascertained.

In addition, the Government issued a compulsory testing notice yesterday to any person who had been present at the above building for more than two hours from April 20 to April 26, 2022, even if they were not present in the "restricted area" at the time when the declaration took effect, must undergo compulsory testing on or before April 28, 2022. As a mutant strain is involved, for prudence's sake, vaccinated persons and persons who have recently been tested are also required to undergo testing.

The Government finished the compulsory testing exercise at around 7.30am today (April 27) and is now carrying out enforcement actions in the "restricted area" to verify that all people in the "restricted area" have undergone compulsory testing. The Government will further announce the revocation time of the declaration.

Starting from around 7.30am today, persons in the specified "restricted area" in Tuen Mun who have undergone testing and are able to present SMS notifications with negative test results as proof of having undergone testing may leave the "restricted area" through the designated exit after providing personal information to a prescribed officer.

The Government set up temporary specimen collection stations in the "restricted area" yesterday and requested persons subject to compulsory testing to collect combined nasal and throat swab samples at the stations to undergo a COVID-19 virus test before 10pm yesterday. A total of about 940 persons had undergone testing. Amongst them, 5 tested positive cases and 8 indeterminate cases were found and the Centre for Health Protection of the Department of Health will take follow-up action. Regarding cases tested positive in the specified "restricted area", the Government will provide health advice for persons tested positive pending admission to hospitals or isolation facilities, disinfection products and surgical masks to these persons and their household members pending follow up arrangement.

Moreover, the Government also assigned staff to visit about 800 households within the "restricted area", among which 64 households did not answer the door. The Government will take measures to follow up.

The Government reiterates that enforcement actions will be taken seriously. Any person who fails to present an SMS notification with a test result as proof of having undergone testing breaches the compulsory testing notice and may be liable to a fine of \$10,000. The person will also be issued with a compulsory testing order, requiring him/her to undergo testing within a specified time frame. Failure to comply with the compulsory testing order

or the "restriction-testing declaration" is an offence and the offender may be liable to a fine of level 5 (\$50,000) and imprisonment for six months.

MD announcement

Attention duty announcers, radio and TV stations:

Please broadcast the following as soon as possible and repeat it at suitable intervals:

The Marine Department today (April 27) reminded masters, coxswains and persons-in-charge of vessels navigating in Hong Kong waters to proceed at a safe speed and exercise extreme caution because restricted visibility of less than 2 nautical miles has been reported.

Appropriate sound signals shall be made when underway or at anchor. All vessels must comply with the International Regulations for Preventing Collision at Sea.

Also, when radar is used without the benefit of adequate plotting facilities, the information obtained from the equipment is rather limited and should be construed accordingly.

Visibility reports are broadcast by the Vessel Traffic Centre (VTC) on VHF channels 02, 12, 14, 63 and 67.

In the event of an accident, a report shall be made immediately to the VTC at Tel: 2233 7801.

HKETO Berlin promotes business prospects for European companies in Hong Kong (with photo)

The Hong Kong Economic and Trade Office, Berlin (HKETO Berlin) participated at the 14th European Economic Congress in Katowice, Poland, on April 25 (Katowice time) to introduce Hong Kong's business opportunities for European companies.

In the panel session "Europe and Asia: discussions about cooperation and economy", the Director of HKETO Berlin, Ms Jenny Szeto, shed light on how

Hong Kong has continued to be one of world's major international financial centres and outlined the business opportunities ahead for European ventures amidst the strong support from the Central Government.

"To say the least about Hong Kong's traditional strengths, we have a robust financial system and well-regulated markets underpinned by a deep pool of liquidity and talents. We are also well known for our simple and low tax regime. Our strengths are well recognised internationally, as shown in numerous international rankings where Hong Kong stays on top. For instance, the Fraser Institute has named Hong Kong as the world's freest economy annually since the inception of its annual report. Meanwhile, the latest Global Financial Centres Index ranked Hong Kong third globally, just behind New York and London," Ms Szeto pointed out.

The panel participants also received the latest updates on the economic outlook of Hong Kong, which is promising despite the pandemic. "Hong Kong's economy has recovered remarkably well within the last 12 months with an overall growth of 6.4 per cent, while investment expenditure even rose by 10.1 per cent," Ms Szeto said.

Looking ahead, with the strong support under the National 14th Five-Year Plan, Hong Kong will not only continue to strengthen its traditional role as an international finance, trading, transport and legal centre, but also enhance its status in four emerging sectors, namely as an international hub for aviation and for innovation and technology, an East-meets-West centre for international cultural exchange, and a regional intellectual property trading centre. Meanwhile, Hong Kong will continue to capitalise on the unique advantages under the "one country, two systems" principle and serve as an important gateway for European businesses to enter the markets of Mainland China and the Guangdong-Hong Kong-Macao Greater Bay Area.

About HKETO Berlin

HKETO Berlin is the official Hong Kong Special Administrative Region Government representative in commercial relations and other economic and trade matters in Poland as well as Austria, the Czech Republic, Germany, Hungary, the Slovak Republic, Slovenia and Switzerland.

