US Dollar Liquidity Facility tender result

The following is issued on behalf of the Hong Kong Monetary Authority:

US Dollar Liquidity Facility tender result:

Tender date : January 27, 2021

(Wednesday)

Settlement date : January 28, 2021 (Thursday)

Repayment date : February 4, 2021 (Thursday)

Tenor : Seven Days

Amount applied : Nil
Amount allotted : Nil

Lowest interest rate : Nil

accepted :

Highest interest rate : Nil

accepted

<u>Buildings Department's special</u> <u>arrangements for public services</u>

In view of the Government's announcement on January 26 to resume the provision of some basic public services to meet the needs of the public and enterprises, the Buildings Department (BD) announced today (January 27) that it will implement targeted measures to reduce social contact and implement infection control measures for the resumption of the following basic public services from tomorrow (January 28) in addition to the emergency and essential public services provided under the special work arrangements implemented in the past two months:

(1) The receipt counter at G/F, BD Headquarters, North Tower, West Kowloon Government Offices, 11 Hoi Ting Road, Yau Ma Tei, Kowloon, will be reopened for receiving documents from members of the public from 10am to 4pm on Monday, Wednesday and Friday, i.e. to resume operation from this Friday (January 29). There will be limits on the number of customers to be served in order to reduce social contact. In addition, a drop-in box and a tender/quotation box will be located at the ground floor of BD Headquarters

from 8.30am to 5.30pm from Monday to Friday to supplement the receipt counter services; and

(2) The Building Information Centre at 2/F, BD Headquarters, will be reopened between 10am and 4pm from Monday to Friday for inspection and copying services for private building records. There will be limits on the number of customers to be served in order to reduce social contact.

The opening hours of the receipt and dispatch counter at the office of the BD's New Buildings Division on 7/F, 14 Taikoo Wan Road, Taikoo Shing, Hong Kong, for collection of statutory applications and related documents and forms for new building works will remain unchanged from 9.30am to 3.30pm from Monday to Friday. Applicants will collect the processed plans and related documents from the receipt and dispatch counter by appointment.

Under the special work arrangements, the handling time of the BD's services may be longer than usual. There will be continued communication between BD officers and members of the public/the sector regarding their cases and applications through email and telephone contact.

The general enquiry counter at G/F, BD Headquarters, and all meeting rooms of the BD will not be open to the public until further notice except meetings essential to meet statutory requirements such as Minor Works Contractors Registration Committee meetings.

The BD appeals to the public to minimise visiting the department's offices in person unless they genuinely require its public services urgently. The public may call 1823 to make emergency reports. For general enquiries and reports, members of the public may call 1823 or inform the department by email (enquiry@bd.gov.hk), online reporting (eform.one.gov.hk/form/bd0001/en/), fax (2537 4992) or post (North Tower, West Kowloon Government Offices, 11 Hoi Ting Road, Yau Ma Tei, Kowloon). In addition, electronic information can be submitted to the BD via receipt@bd.gov.hk.

LCQ8: Improving design of drainage pipes

Following is a question by Dr the Hon Lo Wai-kwok and a written reply by the Secretary for the Environment, Mr Wong Kam-sing, in the Legislative Council today (January 27):

Ouestion:

Recently, there have been a number of confirmed cases of Coronavirus

Disease 2019 (COVID-19) in a number of residential buildings. Some experts have pointed out that the path of infection in some cases is suspected to be related to the sewerage system of the buildings concerned. The U-shaped water traps of a number of units of those buildings are dry, causing the water traps to lose their sealing function, and such situation is similar to that of Block E of Amoy Gardens in 2003 in which there were a number of confirmed cases of Severe Acute Respiratory Syndrome. On the other hand, a multidisciplinary team of a local university has obtained sponsorship and support by the Government to conduct sample tests on domestic sewage for the COVID-19 virus. In this connection, will the Government inform this Council:

- (1) whether it knows the up-to-date number of residential buildings from which sewage samples have been collected to date by the aforesaid team and, among the samples collected, the number of those that were tested positive for the COVID-19 virus; of the follow-up actions taken by the team in respect of the latter;
- (2) whether the Government will consider extending the scope of sample collection to all residential buildings in the territory, so as to help the Government comprehensively assess the situation of the epidemic; if so, of the details; if not, the reasons for that; and
- (3) as it has been reported that the Buildings Department will introduce legislative amendments in respect of the design of drainage pipes of newly constructed buildings, including requiring floor U-shaped water traps to adopt a design that will prevent them from drying up, and the use of different main drainage for units on upper and lower floors to reduce the risks of cross-infection of diseases, of the details of the legislative amendments and the legislative timetable?

Reply:

President,

(1) and (2) With the objective to develop an effective methodology for monitoring the spread of COVID-19 virus, the Government in collaboration with the cross-disciplinary team of the University of Hong Kong (HKU) conducts a research study on testing the virus in sewage, and applies it in monitoring the transmission of the virus in local communities and buildings. The research led by Professor Tong Zhang of the Department of Civil Engineering of HKU is sponsored by the Health and Medical Research Fund under the Food and Health Bureau and supported by the Environmental Bureau with sewerage network analysis and strategic sampling planning by the Environmental Protection Department and technical and operational support on sewage sampling by the Drainage Services Department (DSD). The first stage of the research started in October 2020 with 26 fixed monitoring points set up across the territory at sewage treatment works and sewage pumping stations operated by the DSD as well as some housing estates, with regular samples taken and tested for the gene segments of COVID-19 virus. So far about 700 samples have been collected for analysis.

In response to the fourth wave of COVID-19 epidemic emerging in November

2020, the Government and the research team flexibly adjusted the monitoring plan and collected samples at some housing estates with infected clusters for analysis, with a view to providing supplementary information to complement clinical testing results and assisting relevant Government departments to assess the local epidemic situation. In December 2020, the team first obtained consecutive positive results of the presence of the virus in sewage samples taken from two buildings in Choi Wan (II) Estate, Kowloon, where there had been no confirmed case. The Government immediately ordered compulsory testing for all residents in the two buildings and had successfully located a total of 10 infected cases there. This is the world's first successful case of tracking down COVID-19 infection cases through combined testing of sewage and compulsory testing on residents.

Noting the escalation of confirmed cases at Yau Tsim Mong and Sham Shui Po in January 2021, the Government and the research team further adjusted the monitoring plan and focused sewage testing on the city blocks of these old districts to identify areas with viral presence to facilitate the health protection teams to issue compulsory testing orders and take other follow-up actions. Taking the example of the Jordan area, after many city blocks within the "Jordan specified area" had been tested positive in the period of January 16 to 21, 2021, the Government made reference to the positive sewage test results and their distribution when delineating the "Jordan restricted area" for action from January 23 to 24. As a result, 13 more confirmed cases were identified.

The investigation on sewage testing is still ongoing. In the process, the Government will consider the situation of the epidemic and put focus and resources on buildings and areas with higher risk of virus transmission (such as residential buildings with multiple confirmed cases and the adjoining buildings with more common facilities) for conducting sewage testing, in order to identify hidden infected persons and break the chain of virus transmission as early as possible. Up till now, sewage testing has been conducted for dozens of housing estates and some other dozens of city blocks in the old districts including Yau Ma Tei and Sham Shui Po.

(3) If the drainage system of a building is designed, constructed, erected, altered and repaired in accordance with the extant Buildings Ordinance and its subsidiary regulations, provided that it is properly maintained and the traps of the drainage pipes have sufficient water seals, the drainage system could ensure hygiene and safety of the building, including effective prevention of gases in the drainage system from entering the premises.

Nevertheless, to keep pace with the times, the Government has started amending the Building (Standards of Sanitary Fitments, Plumbing, Drainage Works and Latrines) Regulations in stages. The first stage of the legislative amendment exercise was completed in 2015, which is mainly to enhance the standards for the provision of sanitary fitments in public places, including increasing the provision of waterclosets in female lavatories in relevant places. The Buildings Department (BD) is preparing the second stage amendment. The main objectives are to replace the prescriptive requirements by performance-based requirements to cater for advancement in building technology and introduce a higher standard for the design of drainage systems

of new buildings, for example, an enhanced design of floor drains to prevent water seals of traps from running dry, the requirement of providing a proper distance between the open end of a ventilating pipe on the roof and the window of a building, and the design of drainage pipe that could avoid backflow of sewage to lower floors caused by pressure fluctuation inside the pipes when the upper floors flush the toilet.

The legislative amendments take time to prepare, and we need to take into account situations which may arise from implementation of specific provisions. In order to achieve early implementation of some enhanced design standards of drainage system and to allow the industry sufficient time to familiarise with the enhancements, the BD will consult the industry so as to implement some of the proposed enhanced design standards through the Practice Notes for Authorized Persons, Registered Structural Engineers and Registered Geotechnical Engineers (PNAP) in the near future. The BD will draw on the experience of implementing the PNAP after it comes into effect in preparing the legislative amendments, with a target to submit the second stage amendment to the Legislative Council in the fourth quarter of 2021.

<u>DSD to resume more basic public</u> <u>services starting tomorrow</u>

The Drainage Services Department (DSD) announced today (January 27) that, starting tomorrow (January 28), it will continue to maintain its emergency services and essential public services and will resume some of its basic public services, such as the inspection of drainage records and the handling of Sewage Charges/Trade Effluent Surcharge matters.

Starting tomorrow, the service hours for inspection of drainage records, and the offices at the four locations listed below which provide receipt and dispatch services, will resume as Monday to Friday, from 10am to noon and from 2pm to 4pm, until further notice.

- * 43/F, Revenue Tower, 5 Gloucester Road, Wan Chai, Hong Kong
- * 12/F, Kowloon Government Offices, 405 Nathan Road, Kowloon
- * 23/F, 1063 King's Road, Quarry Bay, Hong Kong
- * G/F, Western Magistracy Building, 2A Pok Fu Lam Road, Hong Kong (Deposit boxes will be available at the above four locations and at the gate of Sha Tin Sewage Treatment Works outside the opening hours for receiving documents.)

DSD facilities will continue to be temporarily closed for public visits and other educational purposes until further notice.

LCQ6: Promotion of electronic payment

Following is a question by the Hon Starry Lee and a reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (January 27):

Question:

It has been reported that cash is still the most frequently used payment method in Hong Kong, and mobile payment accounts for 20 per cent only, which is far lower than the 80 per cent of the Mainland. In order to reduce the risk of epidemic spreading through the use of cash, the Government has earlier on provided a one-off subsidy of \$5,000 per stall in the public markets to encourage the stall tenants to install contactless payment systems. However, only 30 per cent of the stall tenants applied for the said subsidy. Moreover, the Hong Kong Monetary Authority launched the "Faster Payment System" (FPS) as early as in 2018, but so far only seven government departments accept members of the public making payments through FPS. Regarding the promotion of electronic payment, will the Government inform this Council:

- (1) whether it will step up its promotional efforts, including adopting administrative measures, providing a new subsidy or raising the amount of the existing subsidy, with a view to encouraging more trades to adopt electronic payment systems; if so, of the details; if not, the reasons for that;
- (2) whether it will spur more government departments to accept members of the public making payments through FPS; if so, of the details and timetable; if not, the reasons for that; and
- (3) whether it will create some short-term posts to hire young people and deploy them to the public markets to promote electronic payment systems to the stall tenants and answer enquiries, so as to encourage the stall tenants to install the relevant systems?

Reply:

President,

Hong Kong has a well-developed and mature electronic payment ecosystem. Various non-cash payment options including credit cards, Octopus, Easy Payment System (EPS), online and automated teller machine (ATM) transfers, etc., are widely adopted by the public. In addition, using mobile payment tools such as e-wallet applications on mobile phones is increasingly popular in recent years. A research report (Note) also indicated that electronic payment by Hong Kong consumers has already surpassed cash since 2019. Merchants will take into account circumstances of business operation, usage scenario, customer behaviour, operating cost, etc., to offer suitable payment

options for consumers.

In consultation with the Food and Health Bureau and the Hong Kong Monetary Authority (HKMA), my reply to the question by the Hon Starry Lee is as follows:

(1) The HKMA has rolled out various measures in recent years to facilitate the development of electronic payment market in Hong Kong. These include establishing the Stored Value Facility licensing regime to facilitate orderly market development; launching the Common Quick Response (QR) Code Specification for retail payments in Hong Kong and the "Hong Kong Common QR Code" mobile application, allowing merchants to convert multiple QR codes from different payment service providers into a single, combined QR code and presenting it at the point-of-sale or printing it on bills to accept payments from multiple payment service providers; implementing the Faster Payment System (FPS), a round-the-clock platform offering instant payment and transfer services across banks and e-wallets, and supporting transactions conducted in Hong Kong Dollar (HKD) and Renminbi (RMB). These measures have provided greater convenience to consumers and merchants alike. As of December 2020, the FPS recorded 6.88 million registrations and processed 170 million real-time transactions, involving transaction amount of around HKD 2,100 billion and RMB 36 billion.

To further enhance the functionality of the FPS, the HKMA launched a new feature in December 2020 to allow citizens to link their Hong Kong identity card (HKID) number to their bank account for receiving funds from institutions which already possess the HKID number of the recipients via the FPS, making the transfer of funds more expeditious and flexible.

We will keep in view market developments and continue to promote the wider use of electronic payment through appropriate financial technology infrastructure and regulations.

(2) The Government rolled out a new measure of accepting bill payment via FPS QR codes in November 2019. Currently, bills issued by the Inland Revenue Department, the Rating and Valuation Department and the Water Supplies Department, as well as general demand notes issued by the Government are now printed with FPS QR codes. The public can make payment by simply scanning the QR codes using mobile applications that support payment of government bills using FPR QR codes. As of end-December 2020, over 1.76 million bill payments via the FPS were recorded, involving an amount of over HKD 2.1 billion. In addition, starting from December 2020, FPS QR code devices have been made available for use at designated counters and self-help kiosks of the Companies Registry, the Immigration Department, the Official Receiver's Office and the Transport Department, so that altogether seven government departments now accept payments through the FPS, as pointed out by the Hon Starry Lee.

Government departments will, based on their operational needs, adopt different payment options, including online banking, credit cards, telephone banking, etc. Various government departments will study the feasibility of extending FPS payment functions to their bills. We are now also examining the

feasibility of enabling online payments for government services with the FPS. At least seven government departments have already commenced the preparatory work. The initiative will cover various services frequently used by the public, such as applying for licenses and certificates, booking and registration of services, etc. The initiative is expected to be rolled out by phases in 2022.

(3) As the use of contactless payment is conducive to reducing the risk of virus transmission in markets, the Government launched, in October last year, the "Subsidy Scheme for Promotion of Contactless Payment in Public Markets" (the Subsidy Scheme) to provide a subsidy to tenants of market stalls at a flat rate of \$5,000 per stall for use to meet the initial set-up costs as well as service and other fees in relation to the provision of at least one contactless payment means. Since the launch of the Subsidy Scheme, the Food and Environmental Hygiene Department (FEHD) has received over 3 500 applications. Some tenants have already been providing contactless payment means on their own without applying for the subsidies.

The FEHD has conducted a series of promotional activities for the tenants of its market stalls, including compiling service scheme information of the service providers for reference by the tenants; arranging promoters of the service providers (including many young people) to provide on-site explanation. Front line staff of the department and service providers and representatives of the markets will also conduct promotion on-site at the markets. The Government will conduct publicity drive focusing on customers' needs, with a view to encouraging market stall tenants to use contactless payment means for transactions through market forces.

Thank you President.

Note: Source: Visa Consumer Payment Attitudes Study 2.0 published in December 2020