

Speech by FS at 14th Asian Financial Forum (English only) (with photo)

Following is the video speech by the Financial Secretary, Mr Paul Chan, at the 14th Asian Financial Forum held online this morning (January 19):

Distinguished guests, ladies and gentlemen,

Greetings from Hong Kong. I'm pleased to be speaking to you on this, day two of the Asian Financial Forum.

For many of you, I know, it's "night two" of the first virtual Asian Financial Forum. First, and last, I hope.

In this new year, with worldwide vaccination under way or on the horizon, I have other hopes. Among them: that we can soon begin to replace the runaway use of such phrases as "unprecedented times", "the new normal", "you're on mute" and other grim reminders of the pandemic and its Pandora's Box full of trials and troubles.

This year's Forum, with its theme of "Reshaping World Economic Landscape", has much to offer the more than 5 000 of you watching and listening – each and every one of you hopeful of gleaning insight into what 2021 may bring the global economy, its financial markets and your business future.

For the next few minutes, allow me to speak of the hope, the expectations, I have for Hong Kong. As an open economy, Hong Kong is hardly immune to the pandemic and other global, and local, forces. And the economic ride will continue to be rough going through the first half of the year.

That said, I am hopeful that recovery will begin to find root in the latter half of the year. That, of course, is predicated on vaccinations providing the global economic booster we all need.

My optimism for Hong Kong is clear and compelling. It's built on our distinctive advantages under the "one country, two systems" arrangement. I'm talking about Hong Kong's world-class financial system and the professional services prowess that supports it.

To that, add the free flow of information, talent, capital and goods, in and out of Hong Kong. No less vital, is our long-standing rule of law and level playing field tied to our transparent and internationally aligned regulatory system, low and simple tax regime and deep market liquidity. Put it all together, and you know why Hong Kong means business. Whatever business you're in, whatever investment interests you may have.

Hong Kong is the business and investment bridge between China and the

rest of the world. We are the premier listing platform of choice for international and Mainland companies, and we continue to build on that unrivalled advantage.

Since April 2018, innovative companies with a weighted voting rights structure, pre-revenue or pre-profit biotech companies and qualifying companies seeking a secondary listing have been allowed to list on our stock exchange. I can tell you the new listing regime has been remarkably successful.

We are now the world's second-largest fundraising venue for biotech companies. And, over the past 12 years, Hong Kong has led the world seven times in total funds raised through IPOs.

The capital markets between Hong Kong and the Mainland are well connected. Stock Connect allows international investors to trade securities in Mainland markets through Hong Kong, while enabling Mainland investors to trade securities in Hong Kong through the Mainland's domestic platforms.

Since the end of last December, eligible securities under Stock Connect have been expanded, once again, to include pre-revenue or pre-profit biotechnology companies listed in Hong Kong. That will deepen the liquidity of these companies.

Besides, companies with corporate weighted voting rights structure listed in certain qualifying exchanges before October 2020 can now apply for secondary listing here, subject to relevant investor protection safeguards.

We are also boosting Hong Kong's status as Asia's premier fund hub with the introduction of the open-ended fund company and limited partnership fund regimes in 2018 and 2020, respectively.

We're now working to provide tax concessions for carried interest payable by private equity funds operating in Hong Kong, so as to encourage more overseas funds to set up here.

There's more. The Hong Kong Exchanges and Clearing Limited (HKEX) also signed an agreement with MSCI in May last year to launch a suite of MSCI Asia and Emerging Markets equity index futures and options contracts in Hong Kong. The partnership between HKEX and MSCI reinforces Hong Kong's position as a premier risk management centre of choice. It also signifies the market's confidence in our commitment to strengthening Hong Kong's position as an international financial centre.

Our gateway role is also primed to grow deep into this 21st century, thanks to the enormous opportunities arising from the Guangdong-Hong Kong-Macao Greater Bay Area.

The emerging cluster-city development integrating Hong Kong, Macao and nine cities in Guangdong Province is primed to reward our financial services sector in many ways. Including the Wealth Management Connect scheme, which

will allow Greater Bay Area residents – that is some 72 million consumers – to carry out cross-boundary investment in wealth-management products distributed by the region's banks. That will boost product diversity and asset-allocation options, while vastly expanding the sector's prospective market.

The upsurge in cross-boundary funds will, in turn, consolidate Hong Kong's position as the premier global hub for the offshore Renminbi business.

A session this afternoon, featuring a number of high-profile financial services executives, will focus on Wealth Management Connect, its imminent launch and how you can best take advantage of this historic opportunity.

Innovation and technology is a policy priority of the Hong Kong SAR Government. Its development and application is critical to every sector and industry of our economy, financial services very much included.

Hong Kong has been a regional leader in the promotion of smart banking, among the very first markets in Asia to establish virtual banks. Eight such banks, together with four virtual insurers and one virtual asset trading platform, have been authorised to operate in Hong Kong.

The Faster Payment System, a round-the-clock, real-time platform for banks and e-wallet operators, offers customers faster and comprehensive payment and transfer services. Launched in 2018, it has recorded more than 6 million registrations, counting an accumulated transaction volume of over US\$240 billion.

These, and other financial innovations, have been widely accepted by business and consumers alike.

We are also, let me add, in the process of instituting a licensing regime to regulate virtual asset trading platforms for market development and better investor protection.

The insurance sector is another focus in our work plan. We are working on a number of measures to enhance our competitiveness as a premier insurance hub. A group-wide supervision framework is being developed for the supervision of insurance groups which have their holding company incorporated in Hong Kong. We will also implement a risk-based capital regime to replace the existing rule-based one, and will establish a Policy Holders' Protection Scheme for policy holders in the event of insurer insolvency. At present, Hong Kong's Insurance Authority is the group supervisor of three international insurance groups, namely AIA, Prudential and FWD. This has clearly demonstrated Hong Kong's advantages as an international financial centre and insurance hub.

You'll want to take in the Forum's new "Dialogue for Tomorrow" session, scheduled for later today. It features sessions on the future of banking, insurance, big tech and energy.

Finance today, and tomorrow, needs to be green and sustainable, as well as innovative.

Hong Kong is committed to becoming the region's green and sustainable finance hub. Our Green and Sustainable Finance Strategic Plan, launched last month, sets out our vision in this regard.

We have, I'm pleased to add, been making good progress for some time now. In 2018, we launched the Green Bond Grant Scheme. A year later, we followed up with our inaugural Government green bond issuance. And, over the five years from 2020-21, we plan to issue green bonds totalling about US\$8.5 billion.

We are, in short, planning for the long haul. For a green and sustainable economy that begins in Hong Kong and, through our business and financial expertise and leadership, embraces the entire Greater Bay Area. I invite you to join us in building the future. And finding yours – right here in Hong Kong.

We are ready to help you achieve breakthroughs in fund-raising, investment, and tapping opportunities in China, Asia and globally.

This year's Asian Financial Forum will help you get there. Designed to show you the way forward. I know you will enjoy today's sessions.

Ladies and gentlemen, I wish you the best of business, investment and health in the new year. Fewer challenges, less talk of tough times. More about the boundless promise and possibilities just in front of us.

Thank you.



[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 is closely monitoring 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.

CHP reminds public on precautions against cold weather

The Centre for Health Protection (CHP) of the Department of Health (DH) today (January 19) reminded the public, particularly the elderly and people with chronic illnesses, to adopt appropriate measures to protect their health in view of the cold weather.

A spokesman for the CHP said that cold weather can easily trigger or exacerbate diseases, especially among the elderly and persons suffering from heart disease, respiratory illness or other chronic illnesses.

"Elderly people have less insulating fat beneath their skin to keep them warm and their body temperature control mechanism may be weaker. Their body may not be able to appropriately respond to the cold weather," the spokesman said.

Some senior persons may have decreased mobility, which can in turn slow down their ability to generate and conserve body heat. Chronic illnesses, such as hypertension, diabetes and endocrine disorders, may undermine the health of elderly people and lower their metabolic rate, subsequently causing their body to generate less heat.

The CHP reminded the public, in particular the elderly and persons with chronic illnesses, to adopt the following preventive measures:

- Take note of the weather forecast. Wear warm clothing, including hats, scarves, gloves and socks accordingly;
- Consume sufficient food to ensure adequate calorie intake;
- Perform regular exercise to facilitate blood circulation and heat production;
- Stay in a warm environment and avoid prolonged outdoor exposure;
- Use heaters with care and maintain adequate indoor ventilation; and
- Seek medical advice if feeling unwell.

In addition, the public should avoid alcoholic beverages.

"Drinking alcohol cannot keep you warm. Alcohol accelerates the loss of body heat through dilated blood vessels, resulting in chilling instead," the spokesman said.

"Parents should ensure that babies are sufficiently warm, but it is also important to keep babies lightly clothed to avoid overheating them," the spokesman added.

Parents should observe the following safety measures when putting their children to bed:

- Keep the room well ventilated and with a comfortable temperature;
- Always place babies on their back to sleep. Babies usually sleep well without a pillow;
- Place babies on a firm and well-fitted mattress to sleep. Avoid soft objects and loose bedding;
- Leave their head, face and arms uncovered during sleep; and
- Let babies sleep in a cot placed in the parents' room and near their bed.

To prevent pneumonia and respiratory tract infections, members of the public should always maintain good personal and environmental hygiene. They should adhere to the following advice:

- A surgical mask can prevent transmission of respiratory viruses from ill persons. It is essential for persons who are symptomatic (even if having mild symptoms) to wear a surgical mask;
- Wear a surgical mask when taking public transport or staying in crowded places. It is important to wear a mask properly, including performing hand hygiene before wearing and after removing a mask;
- Avoid touching your eyes, mouth and nose;
- Perform hand hygiene frequently, especially before touching the mouth, nose or eyes, after touching public installations such as handrails or doorknobs, or when hands are contaminated by respiratory secretions after coughing or sneezing;
- Maintain drainage pipes properly and regularly (about once a week) pour about half a litre of water into each drain outlet (U-trap) to ensure environmental hygiene;
- Cover all floor drain outlets when they are not in use;
- After using the toilet, put the toilet lid down before flushing to avoid spreading germs;
- Wash hands with liquid soap and water, and rub for at least 20 seconds. Then rinse with water and dry with a disposable paper towel. If hand washing facilities are not available, or when hands are not visibly soiled, performing hand hygiene with 70 to 80 per cent alcohol-based handrub is an effective alternative;
- Cover your mouth and nose with tissue paper when sneezing or coughing. Dispose of soiled tissues into a lidded rubbish bin, then wash hands thoroughly; and
- When having respiratory symptoms, wear a surgical mask, refrain from work or attending class at school, avoid going to crowded places and seek medical

advice promptly.

- Receive seasonal influenza vaccination, which is recommended for all persons aged 6 months or above except those with known contraindications; and
- Persons at higher risk of getting influenza and its complications, including the elderly and children, should receive seasonal influenza vaccination early. Please see details of the vaccination programmes and scheme on the CHP's website.

Food-borne diseases, particularly those linked to hot pot cuisine, are also common in cold weather. The following preventive measures should be taken:

- Wash hands before handling and consuming food;
- Do not patronise unlicensed vendors or those with poor hygienic standards while selecting food;
- Wash and cook all food thoroughly;
- Vegetables should be washed thoroughly in clean running water before cooking and consumption. When appropriate, scrub vegetables with hard surfaces with a clean brush to remove dirt and substances, including pesticide residues and contaminants, from the surface and crevices;
- Shrimps should be fully cooked by cooking them until the shells turn red and the flesh turns white and opaque;
- For shellfish like scallops and geoduck, scrub the shells thoroughly and remove internal organs;
- Most hot pot ingredients should be stored in a refrigerator at 4 degrees Celsius or below, while frozen food should be stored in a freezer at -18 degrees C or below;
- Never use raw eggs as a dipping sauce for hot pot; and
- Use different sets of chopsticks to handle raw and cooked food to avoid cross-contamination.

In addition, the public should not use charcoal as a cooking fuel in poorly ventilated areas, especially indoors, to avoid harmful exposure to carbon monoxide (CO) and prevent CO poisoning. While using other kinds of fuel, the public should also ensure adequate ventilation.

For more health information, the public may call the DH's Health Education Hotline (2833 0111) or visit the [CHP's website](#) and [Facebook Fanpage](#).

The public may also call Dial-a-Weather (1878 200) or visit the website of the [Hong Kong Observatory](#) for the latest weather information and forecast, or its page on [Weather Information for Senior Citizens](#).

Employers and employees should take

precautions during cold weather

Attention duty announcers, radio and TV stations:

Please broadcast the following special announcement immediately, and repeat it at frequent intervals when the Cold Weather Warning is in force:

The Labour Department reminds employers that as the Cold Weather Warning is in force, they should take appropriate precautions such as reminding employees who have to work outdoors or in remote areas to wear appropriately warm clothing, and make arrangements for employees to rotate from outdoor to indoor or sheltered work sites as far as possible. Employees should take note of the weather report, wear appropriately warm clothing and be mindful of their health conditions. They should notify their supervisors and seek medical help immediately if feeling unwell, such as having cold limbs and body shivering.

Advisory Panel on COVID-19 Vaccines convenes meeting on application for emergency use of COVID-19 vaccine by Fosun Pharma

The Advisory Panel on COVID-19 Vaccines (Advisory Panel) convened a meeting today (January 18) on the application for emergency use of COVID-19 vaccine by Fosun Pharma. The meeting was chaired by convenor Professor Wallace Lau Chak-sing.

According to the Prevention and Control of Disease (Use of Vaccines) Regulation (Cap. 599K) (the Regulation), the Secretary for Food and Health may, under the state of public health emergency, authorise the use of COVID-19 vaccines which fulfil the criteria of safety, efficacy and quality for the purpose of vaccination programmes led by the Government. The Regulation also specifies the conditions and procedures which the vaccine manufacturer or its representative, importer, or wholesale dealer must follow when submitting application for seeking authorisation for emergency use. The Advisory Panel appointed by the Chief Executive under the Regulation will examine the information of relevant vaccine and provide a clear recommendation to the Government. The Secretary for Food and Health will consider the advice of the Advisory Panel before authorising a vaccine for emergency use.

Earlier, in accordance with the Regulation, Fosun Pharma submitted to the Secretary for Food and Health an application for the authorisation of the COVID-19 vaccine it developed with German drug manufacturer BioNTech for emergency use. At the same time, it also submitted the Phase 3 clinical data of the vaccine concerned, overseas authorisation obtained, and other information relevant to the safety, efficacy and quality of the vaccine. For this application, the Advisory Panel convened a meeting today to examine the information and reports submitted by Fosun Pharma related to safety, efficacy and quality.

The Advisory Panel considered that, under the current epidemic situation, the benefits of authorising the use of the COVID-19 vaccine by Fosun Pharma/BioNTech for protecting against COVID-19 outweigh the risks. To ensure that the relevant vaccine continues to fulfil the requirements of safety, efficacy and quality, the Advisory Panel suggested adding conditions to require the applicant to continue providing the latest clinical data, safety update reports, and quality certification documents by the drug manufacturer for each batch of vaccines, etc. As regards the use of the vaccine in other places, the Advisory Panel suggested that Fosun Pharma be requested to obtain more information from the relevant health authorities. The relevant information should be provided to the Joint Scientific Committees under the Department of Health for examination, in order to assist with determining the priority groups for receiving the relevant vaccine. The Advisory Panel will compile its views and submit the above advice to the Secretary for Food and Health for consideration. With a view to strengthening the transparency of information regarding vaccines, the expert advice on vaccines given by the Advisory Panel will be made publicly available. The relevant documents will later be uploaded to the website of the Food and Health Bureau.

The Government spokesman reiterated, "The Government welcomes the submission of recommendation by the Advisory Panel on the authorisation application for the vaccine. The Secretary for Food and Health will consider the relevant recommendation and come to a decision on the authorisation of the vaccine for emergency use as soon as possible. The Government will ensure that vaccines satisfy the requirements of safety, efficacy and quality, and obtain emergency use approval in accordance with the relevant requirements as well as stringent approval procedures under the Regulation, before arranging for members of the public to receive the vaccines. To enhance the public's confidence in vaccines, the Government's work in vaccine administration will be based on scientific evidence and adhere to the principles of openness and transparency. We will provide members of the public with the latest information on the relevant vaccines through different channels in a timely manner, and make public the views of experts on the vaccines, so that the public can grasp correct and comprehensive information on them."