

LCQ4: Stability and development of financial market

Following is a question by the Hon Christopher Cheung and a reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (June 3):

Question:

With the coronavirus disease 2019 pandemic having dealt a heavy blow to the global economy and showing no signs of abating, coupled with the continued wrestling between China and the United States (US) in various aspects, financial markets around the world have been very volatile recently. However, unlike other stock markets, Hong Kong's stock market does not have a circuit breaker mechanism in place. In respect of ensuring the stability and continued development of the local financial market, will the Government inform this Council:

(1) whether it will review the volatility control mechanism in the local stock market and if there is any need to introduce a circuit breaker mechanism, so as to ensure that Hong Kong's stock market can maintain a smooth and orderly operation amid the turmoil in the international financial markets; if so, of the details of such review (including consultation with stakeholders);

(2) whether it has reviewed if the various exchange participants have now taken sufficient measures in response to the epidemic, e.g. how the authorities ensure the normal operation of the market in the event that some brokerage firms have to close their offices temporarily due to the epidemic and as a result are unable to settle the transactions on that day; and

(3) whether it has examined the challenges and opportunities brought to the Hong Kong financial market by the wrestling between China and US which has extended to the areas of finance and technology, how the financial services industry of Hong Kong may play a greater role in the development of the financial services in the Guangdong-Hong Kong-Macao Greater Bay Area, as well as if the proportion of investment in local stocks in the investment portfolio of the Exchange Fund may be increased?

Reply:

Acting President,

Financial markets are fast-changing. To safeguard financial security, the Government and financial regulators have been working closely together in the "cross-market, well-coordinated, and cross-time zone" monitoring of all sectors of the financial market, including currencies, stocks, futures, derivatives, etc. Since each market is unique, the approach of monitoring and

control in each market also varies. The Securities and Futures Commission (SFC) is responsible for regulating the trading activities in the securities market to ensure that there is no abnormal trading and position holding, as well as market manipulation. The SFC also keeps a close watch on the operation of the intermediaries to ensure that the market can operate in an orderly manner under a stable environment.

In fact, the financial system of Hong Kong has withstood crises over the years and has been operating in a fair and orderly manner. We will continue to monitor the market closely and strengthen the enhancement measures as necessary to safeguard the financial stability of Hong Kong.

Having consulted the SFC and the Hong Kong Monetary Authority (HKMA), we would like to respond to the three parts of the question raised by the Hon Christopher Cheung as follows:

(1) In 2016, the HKEX (Hong Kong Exchanges and Clearing Limited) introduced the Volatility Control Mechanism (VCM) under which a cooling-off period would be triggered if the volatility of a stock as covered reaches 10 per cent within five minutes. HKEX consulted the market on proposals to enhance the VCM in 2019. In light of the general support from the market on VCM enhancement, HKEX has implemented the first phase of enhancement measures since mid-May this year by expanding the coverage of VCM from 78 constituent stocks of the Hang Seng Index and Hang Seng China Enterprises Index, to almost 500 constituent stocks of Hang Seng Composite LargeCap, MidCap and SmallCap Indexes, with triggering thresholds respectively set at ± 10 per cent, ± 15 per cent and ± 20 per cent to the last traded price five minutes ago. HKEX will review the market operation six months after the first phase of enhancement measures and decide on the timing to implement the second phase of enhancement measures. Multiple triggers per stock covered under the VCM per trading session would be allowed by then.

In conducting the abovementioned consultation on VCM enhancement, HKEX also invited market feedback on whether market-wide volatility control measures (e.g. market-wide circuit breaker) should be introduced in Hong Kong. Due to the mixed responses across the market, HKEX would not make a firm decision on the matter at this stage. We wish to point out that the volatility control measures adopted in securities markets around the world are unique, and some of which may not be applicable to all. HKEX will, having regard to the feedback received from the abovementioned consultation, formulate a feasible model for further market engagement.

(2) Hong Kong's financial system has withstood crises one after another. With our resilient regulatory regime, Hong Kong can cope with the ever-changing market. Financial regulators and the trade have also, in response to the novel coronavirus epidemic, adopted an array of measures to maintain business operations and provide necessary services while minimising the risk of infection.

The SFC has enquired licensed corporations (LCs) on their business continuity plans adopted, and noted that some LCs had already adopted

contingency measures in response to the epidemic or other reasons that had prevented employees from returning to the workplace. Specific measures include working from remote office, relocating of certain functions to different offices, etc. In light of this, the SFC is pursuing a flexible approach to ensure that markets continue to function properly, while safeguarding investor protection. As of now, all trading and settlement were orderly conducted. The SFC will continue to monitor the market closely to ensure that it will operate efficiently and fairly amidst the extraordinary conditions that it is experiencing.

(3) Given multiple unstable factors affecting the situation around the world and locally are at play, it is inevitable that the financial market in Hong Kong will become volatile. Notwithstanding the above, Hong Kong's underlying fundamentals remain strong, and the core competitiveness remains unchanged. We will continue to maintain Hong Kong's position as a major international financial centre, leverage Hong Kong's connectivity with the Mainland and international market, and exploit the opportunities presented by, among others, the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) development.

On May 14, the People's Bank of China and respective Mainland authorities jointly promulgated the "Opinion on Providing Financial Support for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area" (the Opinion). Out of the 30 items, the Opinion sets out 26 concrete measures for the financial services development of the Greater Bay Area to further promote financial liberalisation and innovation, as well as deepen financial co-operation between the Mainland, Hong Kong and Macao. Among others, item 18 of the Opinion supports the opening up of the securities sector; the setting up of foreign-owned securities companies, fund management companies and futures companies orderly in the Greater Bay Area in accordance with the law; the expansion of business scope of eligible securities firms in accordance with the law; and the participation of Hong Kong's private equity funds in financing innovation enterprises in the Greater Bay Area. We will continue to liaise closely with the Mainland authorities and take forward the measures in the Opinion progressively in a risk-controlled manner, with a view to leveraging the opportunities brought by the Greater Bay Area development and promoting the development of the local financial services sector.

Separately, the Exchange Fund primarily invests in highly liquid foreign currency assets to ensure that it can readily liquidate assets for achieving its statutory objective of maintaining Hong Kong's monetary and financial stability. The HKMA has been cautious towards investing in HK dollar assets and currently has no plan to change such investment strategy.

Thank you Acting President.

LCQ12: Provision of sign language interpretation services by Hospital Authority

Following is a question by Dr the Hon Kwok Ka-ki and a written reply by the Secretary for Food and Health, Professor Sophia Chan, in the Legislative Council today (June 3):

Question:

It has been reported that earlier on, a deaf-mute patient suffering from depression and with suicidal tendency was referred to the Kwai Chung Hospital for hospitalisation. As the Hospital had not arranged sign language interpretation services for that patient, the healthcare personnel could not communicate with him. After the patient's hospitalisation for two weeks, the Hospital arranged for his discharge on the grounds that its staff members had not been able to communicate with him and that he had wished to be discharged from hospital. The patient jumped to his death from a building on the next day after discharge from hospital. Regarding the provision of sign language interpretation services by the Hospital Authority (HA) for the deaf-mute, will the Government inform this Council if it knows:

(1) the details of HA's arrangements for the provision of sign language interpretation services, including (i) how long in advance a patient who needs to use the services when seeking consultation has to make a booking for the services, (ii) the circumstances under which a patient at the accident and emergency department will be provided with such services urgently, (iii) the number of sign language interpreters, and (iv) the weekly service timetable;

(2) whether HA allows patients to arrange, on their own, their family members or friends to provide sign language interpretation services, so as to facilitate their communication with healthcare personnel; if HA does, of the details; if not, the reasons for that; and

(3) whether HA has formulated guidelines specifying that a doctor must take appropriate measures (e.g. arranging for sign language interpretation services or making use of writings) to ensure effective communication with a deaf-mute patient in situations such as diagnosing the patient and explaining the treatment options to the patient; if HA has, of the details; if not, the reasons for that?

Reply:

President,

In consultation with the Hospital Authority (HA), I provide the

following reply to the various parts of the question raised by Dr the Hon Kwok Ka-ki.

(1) To cater for patients with special needs, the HA arranges sign language interpretation services for persons in need in public hospitals and clinics through various channels, including a service contractor and part-time court interpreters. As at end-May this year, the HA's service contractor had engaged a total of 16 sign language interpreters to provide interpretation services for patients from 8am to 10pm (Monday to Sunday including public holidays).

For scheduled services (e.g. medical consultations in general and specialist out-patient clinics), patients may at any time request the concerned hospital or clinic to arrange sign language interpretation services in advance. Staff of the hospital or clinic would contact the service contractor to arrange the services for patients in need. There is no time restriction on the service arrangement. When patients book their follow-up medical appointments, they may request for sign language interpretation services in one go to facilitate communication with healthcare staff. In urgent cases (e.g. urgent hospital admission), hospital staff would, where necessary, immediately arrange interpreters to the hospital to provide on-site interpretation services as soon as possible. Starting from mid-March this year, hospitals or clinics also provide sign language interpretation services for patients through video communication.

(2) Under normal circumstances, hospitals accept the interpretation arrangement of patients engaging their own sign language interpreter, or their family member or friend who knows sign language, to facilitate communication with healthcare staff.

(3) In general, healthcare staff provide optimal services for persons with hearing impairment with regard to the actual circumstances, including the arrangement of HA's sign language interpretation services to facilitate communication between patients and healthcare staff.

In view of the varying situations of different patients, such as emergencies that require immediate management, it is of paramount importance to HA in ensuring that healthcare staff can communicate effectively with patients through various channels. To this end, the HA has prepared response cue cards, disease information sheets and patient consent forms, covering information about common diseases, treatment procedures and HA's services, etc. with a view to enhancing the communication between hospital staff and patients in the process of registration and service delivery. Healthcare staff would communicate effectively with patients having regard to the actual circumstances and provide optimal healthcare services to cater for patients' needs. Therefore, the HA does not recommend mandating healthcare staff to communicate with the concerned patients through sign language interpretation.

The HA will continue to strengthen the promotion of sign language interpretation services to persons in need. Posters have been printed and displayed in public hospitals for publicity to facilitate patients' access to

relevant interpretation services.

LCQ5: Office accommodation for RTHK

Following is a question by the Hon Alvin Yeung and a reply by the Secretary for Commerce and Economic Development, Mr Edward Yau, in the Legislative Council today (June 3):

Question:

It has been reported that the Education Bureau (EDB) last month requested the Radio Television Hong Kong (RTHK) to vacate and hand back the Education Television Centre at Broadcast Drive by September this year. Besides, the Hong Kong Science and Technology Parks Corporation has planned to resume the premises located in the InnoCentre at Tat Chee Avenue which is currently used as the office of the General Programmes Section of RTHK's Television Division. In January 2014, the Public Works Subcommittee of this Council voted down the proposal to upgrade to Category A the project to construct the New Broadcasting House of Radio Television Hong Kong (BH). In November 2017, the Government indicated that the project had been downgraded from Category B to Category C, but such an adjustment would not affect RTHK from continuing to explore feasible options, including the exploration with the relevant Government departments the feasibility of constructing a joint-user building, and RTHK would take forward the BH project in accordance with the established mechanism. Regarding the office accommodation for RTHK, will the Government inform this Council:

(1) of the progress of the BH project; whether it will expeditiously upgrade the project to Category B and, at the same time, accord a higher priority to the project, as well as provide RTHK with additional funding to meet the expenditure on renting new offices before the completion and commissioning of the BH;

(2) as RTHK has over the years been the sole user department of the Education Television Centre, whether EDB will defer the resumption of the facility, or grant the site concerned to RTHK by way of temporary government land allocation until the commissioning of the BH; and

(3) as the Government has repeatedly stated in recent months that RTHK must fully abide by the Charter of Radio Television Hong Kong and duly fulfil the obligations as a public service broadcaster, whether it has assessed if the decision to resume the above premises will hinder the fulfilment of such obligations by RTHK, including meeting the target number of hours of programme output for the current financial year?

Reply:

President,

As a government department, the Radio Television Hong Kong (RTHK) has been allocated sufficient resources under established mechanism for providing public service broadcasting. Our reply to the various parts of the question raised by the Member, prepared in consultation with the Education Bureau (EDB) and relevant departments, is as follows:

(1) As for the New Broadcasting House (New BH) project, the Government submitted to the Legislative Council (LegCo) Public Works Subcommittee (PWSC) on December 18, 2013 a funding application of \$6 billion for the construction of the New BH in Tseung Kwan O. However, the application was negatived at the PWSC meeting on January 3, 2014. Subsequently, the Government reduced the cost to \$5.3 billion in response to the request of the PWSC. Unfortunately, consensus could not be reached among Members after rounds of communications. Hence, the Government informed the PWSC on January 29, 2014 that it would not submit the revised funding application to the PWSC for another discussion.

Having regard to the views of the LegCo, operational needs of RTHK and the need to ensure that the reserved site would have better economic benefits, the Government has been proactively taking forward the construction of the new BH on the basis of a joint-user building. With the assistance of the Architectural Services Department, RTHK is discussing with departments which are interested in the joint-user building on their respective requirements, as well as project design and planning. RTHK will continue to take forward the New BH project in accordance with the established mechanism.

RTHK currently uses different government properties as offices and for programme production purpose. RTHK also rents other properties subject to its operational needs, and the expenditure involved is met by existing resources. Meanwhile, RTHK will continue to step up maintenance and repairs, and take measures to improve the facilities and working environment of the buildings located at the Broadcast Drive, with a view to coping with operational needs.

(2) The Educational Television Centre (ETC) at 79 Broadcast Drive has all along been owned by EDB for the purpose of producing school educational television (ETV) programmes. Since the commissioning of ETC, EDB staff have all along been working in ETC, and RTHK is not the sole user department. During and before the financial year 2019-2020, RTHK was responsible for producing ETV programmes for EDB. To facilitate programme production, EDB has thus shared the use of its ETC with RTHK.

Following the change in mode of production of ETV programmes in light of the recommendations made in the Director of Audit's Report No. 71 published in October 2018, RTHK is no longer required to produce 62 ETV programmes for EDB every year. RTHK posts responsible for production of ETV programmes have also lapsed in this financial year. It can be seen that the original purpose and service need for RTHK staff to use ETC no longer exists. There is also a need for office accommodation within EDB arising from the continuous development of its own services in recent years. Hence, EDB has recently

informed RTHK, requesting RTHK to move out from ETC under EDB by September this year.

EDB will continue to discuss with RTHK on the arrangement and timetable of moving out in order to meet the operational needs of both parties.

(3) RTHK expects that the re-provisioning of offices and production facilities at InnoCentre and ETC has no impact on programme production. RTHK has sufficient resources and equipment for providing public service broadcasting to fulfil the public purposes and mission under the Charter of RTHK.

LCQ19: Use of Chun Yeung Estate as temporary quarantine centre

Following is a question by the Hon Andrew Wan and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (June 3):

Question:

To cope with the epidemic, the Government announced on January 25 this year its intention to use the unoccupied Fai Ming Estate in Fanling as quarantine facilities and temporary accommodation for healthcare staff in need. On the following day, a number of facilities in the Estate were vandalised by some persons who were opposed to the arrangement. Since the restoration works concerned would take at least six to eight months to complete, the Government instead requisitioned in early February the unoccupied Chun Yeung Estate in Fo Tan for use as quarantine facilities. Some prospective tenants who have accepted advance allocation offers of units in these two public rental housing (PRH) estates have indicated that the above situation has disrupted their arrangements for relocation, and those prospective tenants living in subdivided units even need to continue to live in deplorable conditions and pay exorbitant rents. In this connection, will the Government inform this Council:

(1) of the following information on each of the various quarantine facilities since January this year:

- (i) name,
- (ii) address,
- (iii) total number of quarantine units,
- (iv) dates on which operation commenced and ceased (if applicable), and
- (v) monthly numbers of units used and numbers of persons admitted thereto;

(2) of the progress of the construction of quarantine facilities by the Government at a government site at Penny's Bay, and the respective anticipated dates of completion and commissioning; whether it will, upon completion of those quarantine facilities, forthwith return Chun Yeung Estate to the Hong Kong Housing Authority to enable prospective tenants to move in; if so, of the expected duration between the date of returning the Estate and the handing-over date of the units to the prospective tenants;

(3) of the number of prospective tenants who have accepted advance allocation offers of units in Fai Ming Estate and Chun Yeung Estate and the total number of persons involved, with a breakdown by the number of family members of the prospective tenants; the respective numbers of prospective tenants who have chosen the following arrangements after learning that the intake would be deferred:

- (i) admission to Po Tin Interim Housing,
- (ii) acceptance of allocation of another unit in a new PRH estate,
- (iii) acceptance of allocation of another unit in an old PRH estate,
- (iv) continuing to wait for the originally allocated PRH unit, and
- (v) other arrangements;

(4) given that at present some hotels have indicated willingness to provide their rooms for use as quarantine facilities, of the reasons why the Government still uses unoccupied PRH estates as quarantine facilities;

(5) given that some prospective tenants of Chun Yeung Estate and Fai Ming Estate have indicated that the one-off ex-gratia allowance of \$6,000 per household granted by the Government to them is insufficient to compensate for the losses incurred on them due to the delay in intake, whether the Government will provide additional allowance, e.g. an extra allowance of \$6,000 per month per household from the date on which the letter on advance flat allocation was issued to the date of intake;

(6) of the respective numbers of PRH units in Sha Tin District and the North District which are available for allocation, with a breakdown by name of housing estate and type of units; whether it will offer to the prospective tenants of Fai Ming Estate and Chun Yeung Estate the choice of residing temporarily in PRH units in the same districts; and

(7) of the average duration in the past five financial years between the time when a prospective tenant completed the intake formalities in an estate office and the time when the unit was handed over to the tenant; how such duration is expected to compare with the relevant duration concerning the prospective tenants of Fai Ming Estate and Chun Yeung Estate?

Reply:

President,

In consultation with the Food and Health Bureau, my reply to the question raised by the Hon Andrew Wan is as follows:

(1) Coronavirus disease 2019 (COVID-19) is an unprecedented disease that is highly contagious and fast-spreading, and the outbreak situation is evolving rapidly. Apart from admitting patients confirmed or suspected to be infected to hospitals for isolation and treatment, another equally important element of the Government's strategy is to put close contacts who may have been exposed to the risk of contracting COVID-19 (including close contacts of confirmed patients) under compulsory quarantine at quarantine centres, including Chun Yeung Estate. Since January 2020, the Government has set up quarantine centres consecutively at the following locations:

- (a) Lady MacLehose Holiday Village, providing 45 units;
- (b) Po Leung Kuk Jockey Club Pak Tam Chung Holiday Camp, providing 25 units;
- (c) Lei Yue Mun Park and Holiday Village in Chai Wan (including the extra constructed units at basketball court and football field), providing 379 units in total;
- (d) Heritage Lodge of Jao Tsung-I Academy, providing 53 units;
- (e) Junior Police Call Permanent Activity Centre in Pat Heung, providing 208 units; and
- (f) Chun Yeung Estate, currently providing 3 121 units among 4 846 units.

In order to deploy manpower more effectively and make good use of the facilities, two relatively smaller quarantine facilities, namely the Lady MacLehose Holiday Village and the Po Leung Kuk Jockey Club Pak Tam Chung Holiday Camp have no longer been in used for housing close contacts since early March 2020.

From January 2020 till now, over 6 000 persons have been accommodated at quarantine centres, among whom 114 persons showed symptoms during their stay and were affirmed as confirmed cases subsequently. This demonstrates the effectiveness of quarantine centres in preventing community outbreaks. Owing to various factors such as the development of outbreak and operational arrangements, as well as the quarantine period being 14 days in general, the occupancy rate of each quarantine centre varied at different periods. While the outbreak has slightly eased recently, over 200 units were used each day on average over the past month. As at 9am of May 28, 257 units were occupied, involving 574 persons.

(2) While the outbreak of COVID-19 in Hong Kong has slightly eased recently, it has already become a global pandemic and its future development is difficult to predict. Therefore, it is necessary for the Government to keep these quarantine facilities in order to cope with the quarantine need that may arise. The Government has been setting up additional quarantine facilities through construction works. It is expected that the construction works at the government site and the site reserved for future tourism development at Penny's Bay would be completed by phase between July and September 2020, providing some 1 500 additional units. If the epidemic situation stabilises and there is no local community outbreak with unknown sources by then, the Government will cease the use of Chun Yeung Estate as quarantine centre as soon as possible, and complete thorough disinfection and relevant repair works such that the prospective tenants can move in as soon

as possible.

(3) In order to utilise public rental housing (PRH) resources more effectively, the Hong Kong Housing Authority (HA) has implemented the Modified Advance Allocation Scheme (MAAS) since 2000. Under MAAS, before a newly completed PRH estate has been issued occupation permit (OP), its units will be allocated in advance to eligible PRH applicants, enabling them to complete the intake formalities as soon as possible after OP is issued. HA allocated the uncompleted Chun Yeung Estate and Fai Ming Estate in late 2019 under MAAS. About 4 700 PRH application households involving about 11 400 persons have accepted the advance offer.

As with other letters issued under MAAS, the offer letters in respect of Chun Yeung Estate and Fai Ming Estate clearly reminded all PRH applicants that the intake date of the units under advance allocation could not be confirmed, and they were recommended not to make premature arrangements for moving to the district of allocation such as switching jobs or schools. Nonetheless, HA understands that applicants who have accepted the advance housing offer of Fai Ming Estate and Chun Yeung Estate may experience inconvenience or problems due to the deferred intake. HA hence issued letters to the prospective tenants concerned on February 20 this year, informing them of the special arrangements, under which they may opt to (1) retain the advance allocated unit until flat intake and, where necessary, apply for admission to Po Tin Interim Housing (IH) in Tuen Mun District in the New Territories during the period; or (2) cancel the current offer and be reallocated to another suitable unit in other housing estates in their original chosen district. HA will endeavour to meet and accord priority to their needs, subject to public housing resources available for deployment and availability of suitable vacant PRH units.

Among the 4 700 prospective tenants, 3 450 have chosen to wait for intake of Fai Ming Estate and Chun Yeung Estate without applying for IH. Another 330 households who have decided to wait for the intake of Fai Ming Estate and Chun Yeung Estate have applied for Po Tin IH in Tuen Mun (of which 180 households have accepted the IH offer). The remaining about 920 households have applied for a unit in other estates (of which 210 households have accepted housing offer in other PRH estates).

(4) The Department of Health has earlier touched base with the hotel industry to explore the feasibility of using hotels as quarantine facilities, but it involves consideration from various aspects. While a number of hotels have indicated willingness to support the anti-epidemic work, they specified that the hotel rooms could only be used as temporary accommodation for healthcare staff and expressed major reservations about the use of hotels as quarantine facilities for close contacts. Even though a few hotels were willing to make their rooms available for use as quarantine facilities, they generally indicated that manpower for supporting the operation could not be provided, and most of the hotels concerned were close to residential buildings. In addition, facilities for use as quarantine centres must fulfill infection control requirements, including the availability of independent air-conditioning, fresh air ventilation, and that the interior and environment

and facilities should be friendly for cleansing and disinfection, etc. In general, hotels are not designed for the purpose of quarantine. Most of the rooms are enclosed and equipped with central air-conditioning, and fitted with carpet that could hardly be thoroughly disinfected on a daily basis. Therefore, hotels may not be able to meet the above requirements.

(5) Under the Anti-epidemic Fund (the Fund) set up by the Government, an one-off ex-gratia allowance of \$6,000 per household has been granted to eligible PRH applicants who have accepted the advance allocation offer of Fai Ming Estate and Chun Yeung Estate, so as to help them tide over the problems and inconvenience caused by the deferred intake. We understand that the ex-gratia allowance under the Fund may not be able to resolve all the problems of the prospective tenants but hope that this could provide some relief to meet their pressing needs. Cheques for the payment of the ex-gratia allowance have been issued to all the affected prospective tenants.

(6) At present, there are about 390 and 130 recovered PRH units in Sha Tin District and North District respectively which can be used for re-allocation. HA will endeavour to meet and accord priority to the requests for flat allocation in other estates in the same chosen district from the prospective tenants of Fai Ming Estate and Chun Yeung Estate. For applicants with temporary housing need, they could apply for accommodation in Po Tin IH in Tuen Mun District in the New Territories.

(7) Once a PRH applicant is allocated a recovered PRH unit, HA will arrange contractors to conduct "Simple Touch-up Works". In general, the contractor will complete the works within 44 days after taking over the flat. The applicant could then proceed with flat intake after completion of the refurbishment.

For PRH units in estate to be completed, as PRH applicants can only proceed with flat intake after these newly completed buildings have been issued with OP, the time of physical intake for applicants accepting advance housing offer cannot be generalised.

Free Trade Agreement and Investment Agreement between Hong Kong and ASEAN enter into force for Indonesia

A Government spokesman said today (June 3) that the part relating to Indonesia under the Free Trade Agreement (FTA) and the Investment Agreement (IA) between Hong Kong and the Association of Southeast Asian Nations (ASEAN) will enter into force on July 4.

On trade in goods under the FTA, Indonesia will progressively reduce and eliminate customs duties on goods originating from Hong Kong. The tariff commitments made by Indonesia cover different kinds of Hong Kong commodities, including jewellery, articles of apparel and clothing accessories, watches and clocks as well as toys, etc. To enjoy the preferential tariff treatment for exporting Hong Kong goods to Indonesia under the FTA, Hong Kong traders have to comply with the relevant preferential rules of origin and fulfil the related requirements, and to apply for certificates of origin from the Trade and Industry Department (TID) or Government Approved Certification Organizations to cover the goods concerned. For details, please refer to the relevant trade circulars issued by the TID at www.tid.gov.hk/english/aboutus/tradecircular/coc/2020/coc2020.html.

On trade in services, Hong Kong service providers will enjoy better business opportunities and legal certainty in market access for different services sectors in Indonesia under the FTA. These include services sectors in which Hong Kong has traditional strengths or has potential for development, including business services, construction and related engineering services, and tourism and travel related services.

Under the IA, Indonesia will provide Hong Kong enterprises investing in its area with fair and equitable treatment of their investments, physical protection and security of their investments as well as the assurance of the free transfer of their investments and returns. In case of expropriation or investment loss owing to war, armed conflict or similar event, Indonesia will also provide compensation to Hong Kong enterprises investing in its area according to the agreed standard as specified under the IA.

With the entry into force for the part relating to Indonesia, there will be a total of eight ASEAN member states (viz. Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam) for which both the FTA and the IA have entered into force. The dates of entry into force for the remaining two ASEAN member states (viz. Brunei Darussalam and Cambodia) will be announced as soon as they are confirmed.

For the texts and the key features of the FTA and the IA, please refer to the website of the TID at www.tid.gov.hk/english/ita/fta/hkasean/index.html.