

The Hong Kong Special Administrative Region of the People's Republic of China

The Chief Executive's 2023 Policy Address

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A Vibrant Economy for a Caring Community

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Mr President, Honourable Members and fellow citizens,

I. Foreword

1. This is my second Policy Address as your Chief Executive. In putting pen to paper for the 2023 Policy Address, I pondered what measures implemented over the past year have been most well-received by our community. I contemplated, too, which areas we should deepen and what new areas and development directions we should pursue. Throughout the process, I felt the weight of my responsibilities on my shoulders.

2. Since I took office, I have led the Government to embrace a result-oriented culture, building an administration with the focus on actions and delivery of results, as well as strengthening our co-operation and team spirit.

3. Over the past year, we have led Hong Kong out of the pandemic, with society returning to full normalcy. We have enhanced governance on various fronts, strengthening co-ordination and improving the civil service management system. We have formulated strategies to tackle the issues of intergenerational poverty, district environmental hygiene, land and housing supply, etc., and we have attained the targeted outcomes. We have rendered support and help to the elderly and the disadvantaged, established Care Teams, enhanced the Elderly Health Care Voucher Scheme and strengthened public hospital services. We have devised an improved district governance system, and promulgated the Youth Development Blueprint, the Hong Kong Innovation and Technology Development Blueprint and the Primary Healthcare Blueprint. We have enhanced the talent admission schemes and have been creating strong impetus for growth through more proactive integration into our country's development and expansion of international co-operation. These, and other, efforts have yielded some positive results, but I feel that much more can be done and achieved. Blessed with the strong support of our country and the close connection to the world, Hong Kong is the only world-class city that can capitalise on both the China advantage and the international advantage.

4. In preparing for this Policy Address, I have conducted more than 40 consultation sessions and visited numerous districts over the past three months to gather views from members of the public. I am thankful for their valuable suggestions and grateful for the general recognition of my policy directions and strategies in the community. This Policy Address comprises measures consolidating work introduced over the past year – areas in which we need to delve deeper and wider – as well as new fields and directions we should pursue. It carries my vision and my pledge for the future of Hong Kong. It is a Policy Address for each and every one of us.

II. Challenges and Opportunities

5. Our governing tenets are to uphold "One Country, Two Systems", strengthen the economy and improve people's livelihoods. Our policy directions are to sharpen our edge and grasp the opportunities, while addressing our shortcomings and any potential risks. Our policy objectives are to make Hong Kong a better place for all – for people to enjoy a better living environment, students to receive quality education, young people to fully realise their potential, and the elderly to be well taken care of. We aspire to create a cohesive and caring community, with a vibrant economy where everyone can enjoy life.

6. This year, Hong Kong came out of the pandemic with strength. The Government has launched a host of campaigns and measures, including "Hello Hong Kong", "Happy Hong Kong" and "Night Vibes Hong Kong", to attract visitors and boost local consumption. The economy is recovering and people's incomes are improving. The real Gross Domestic Product (GDP) in the first half of the year saw a 2.2% increase, year-on-year, and the latest unemployment rate dropped to 2.8%, reflecting nearly full employment. The economy is set to reverse last year's negative results and resume growth this year.

7. Inbound tourism and local consumption have been the key drivers of our economic recovery. Average daily visitor arrivals are steadily rising, and reached nearly 70% of the level over the same period in 2018 this summer. Private consumption expenditure grew by 8.2%, year-on-year, in real terms in the second quarter, and total value of retail sales increased by more than 15%, year-on-year, in July and August, resuming to 85% of the level over the same period in 2018. As the aviation and related sectors gradually resume handling capacity, the number of visitor arrivals is expected to increase. The improvement of the economy and the labour market, alongside measures launched by the Government to sustain economic recovery, will boost private consumption.

8. Nevertheless, the external environment remains challenging. The world is undergoing unprecedented changes. Coupled with the successive interest rate hikes of advanced economies, designed to tame high inflation, the outlook of the global economy has been undermined, putting pressure on Hong Kong's economy. Our total goods exports and our investment and assets markets have been negatively impacted. At the same time, we face keen competition from other economies, while tackling internal challenges such as our ageing population and manpower shortage.

9. Despite the near-term challenges, abundant opportunities and our advantages remain. I will lead Hong Kong to grasp these opportunities and

capitalise on our advantages, and develop new areas of growth. Hong Kong's future will be as bright, energetic, competitive and prosperous as ever.

10. The global economic shift to the east will continue, and Asia will remain an important driver of global economic growth. Steady growth – and well above the global average – is forecast for the Mainland economy this year and next. This will create continuing opportunities for Hong Kong.

11. The Central People's Government has rendered firm support to Hong Kong for our economic development to fully capitalise on our distinctive advantages under the "One Country, Two Systems" principle. We must fully leverage these advantages. That means proactively integrating into our country's development, serving well as the hub connecting the domestic and global markets, participating in and promoting such national strategies as the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) and the Belt and Road (B&R) Initiative. It also means making good use of the Closer Economic Partnership Arrangement (CEPA) and related measures, while realising Hong Kong's development of "eight centres" as outlined in the 14th Five-Year Plan. Given our country's pursuit of high-quality development and market expansion, these, and other initiatives, present unlimited, long-term promise for Hong Kong.

12. Hong Kong must sustain and reinforce its distinctive advantages as a global city. We must maintain our international reputation, strengthen regional collaborations, pursue the markets of the Association of Southeast Asian Nations (ASEAN) and the Middle East etc., and strive for early accession to the Regional Comprehensive Economic Partnership (RCEP), giving full play to our role as the bridge between the Mainland and the rest of the world.

13. The Government will continue to trawl for talents and retain talents. We will also nurture local talents, strengthen labour training and enhance the productivity of our workers. The Government will step up efforts to promote tourism development, boost local consumption and improve the liquidity and investment sentiment of the asset markets, creating a wealth effect and propelling economic growth. We will continue to be proactive in competing for enterprises, attracting companies and investment to Hong Kong, diversifying our economy and supporting small and medium enterprises (SMEs).

14. We will reinforce the strengths of such traditional sectors as finance, trading, logistics, shipping and professional services. We will, as well, explore new growth potential with industry-oriented approach, developing such emerging strategic areas as innovation and technology (I&T), creative industries, pharmaceutical research and development (R&D), Chinese medicine and new energy transport.

15. In the medium to long term, the Government will reinforce Hong Kong's competitive edge, with the Northern Metropolis as the new engine for growth and the industry-oriented approach as our policy priority. We will boost the economy and drive growth through infrastructural creation, moving ahead with land and transport development projects to expand Hong Kong's economic capacity.

16. President Xi Jinping, speaking last year at the 25th anniversary of the Hong Kong SAR, put forward "four musts" and "four proposals" for this administration, and said that "Hong Kong will prosper only when its young people thrive". I will continue to take heed of his advice as the basis of my governance blueprint. This will, I am confident, lead Hong Kong to new heights as an economy and a community.

III. Uphold the Principle of "One Country, Two Systems" and Safeguard National Security

Fully and Faithfully Implement the Principle of "One Country, Two Systems"

17. As highlighted in the report to the 20th National Congress of the Communist Party of China, the principle of "One Country, Two Systems" is the best institutional arrangement for the long-term prosperity and stability of Hong Kong, and we must adhere to it in the long run. The fundamental premise of "One Country, Two Systems" is to safeguard sovereignty, security and development interests of our nation. The more firmly the "One Country" principle is upheld, the greater the strength of "Two Systems".

18. Hong Kong has emerged from social disorder and the pandemic, and is now advancing from stability to prosperity. The Law of the People's Republic of China on Safeguarding National Security in the Hong Kong Special Administrative Region (the National Security Law) has addressed the near-vacuum of national security laws for the Hong Kong Special Administrative Region (HKSAR). And the improved electoral system safeguards the HKSAR's governance system. Hong Kong is back on the path to progress.

19. Nevertheless, geopolitics today is complex. Some countries are undermining China and the implementation of "One Country, Two Systems" in Hong Kong for their own benefits. External forces continue to meddle in Hong Kong affairs. As Xia Baolong, Director of the Hong Kong and Macao Affairs Office of the State Council, said in his address on National Security Education Day in April this year: "while Hong Kong may appear to be peaceful and calm, there are indeed undercurrents - the root causes for 'chaos' have not yet been eliminated, and the foundation of 'orderly governance' needs to be fortified. We must stay vigilant against the possible resurgence of street violence, be conscious of covert rebellions through 'soft resistance', and watch out for those anti-government movements overseas looping back to Hong Kong. We should pay particular attention to those anti-China and destabilising activities camouflaged in the name of human rights, freedom, democracy and livelihood". We must guard against those seeking to provoke conflict, misinform or spread rumours through different channels, and remain alert to acts of "soft resistance" in different forms that can undermine the governance of our country and the HKSAR.

20. The HKSAR Government will fully, faithfully and resolutely implement the principles of "One Country, Two Systems", "Hong Kong people administering Hong Kong" and a high degree of autonomy. We will safeguard the constitutional

order of the HKSAR as laid down by the Constitution of the People's Republic of China (the Constitution) and the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China (the Basic Law). We will implement the "executive-led" structure and "patriots administering Hong Kong".

Safeguard National Security

21. The Government will continue to safeguard national security and improve its relevant legal system and enforcement mechanisms.

Legislate for Article 23 of the Basic Law

22. Article 23 of the Basic Law stipulates that the HKSAR shall enact laws on its own to prohibit acts and activities that endanger national security. Article 7 of the National Security Law stipulates that the HKSAR Government shall complete, as early as possible, legislation for safeguarding national security as stipulated in the Basic Law and shall refine relevant laws. The Government is pressing ahead to draw up effective legislative options and will complete the legislative exercise in 2024 to fulfil our constitutional duty.

Legislate for Cybersecurity of Critical Infrastructure

23. To address the increasing risks of cyber-attacks globally, the Government is working to enhance the cybersecurity of our critical infrastructure, including energy, telecommunications, transportation, financial institutions, etc. We will introduce a bill into the Legislative Council (LegCo) for this purpose in 2024.

National Security Education

24. We will strengthen the promotion of national security education. Apart from school education, we will organise exhibitions and activities, particularly the National Security Education Day on 15 April each year, to raise public awareness about the importance of safeguarding national security. We will set up an exhibition gallery, prepare teaching materials and provide training for district-based tutors to promote national security education in the community.

25. The Government has introduced a bill amending the Regional Flag and Regional Emblem Ordinance. When the bill is enacted by the LegCo after considerations, we will organise a publicity campaign to enhance public awareness of the importance of respecting the regional flag and emblem and ensuring their proper usage.

26. The Government will continue to enhance training for all civil servants to nurture their patriotism and sense of national security. This will help civil servants to be more conscious of the importance of safeguarding our country's sovereignty, national security and development interests, particularly in view of the complex external environment.

Patriotic Education

27. The Government endeavours to build mainstream values characterised by patriotism with affection for our country and Hong Kong and in conformity with the principle of "One Country, Two Systems". We will roll out patriotic education to enhance national identity and appreciation of the richness and beauty of the traditional Chinese culture amongst the people of Hong Kong, laying a good foundation for our national unity and solidarity. We will also integrate patriotic education into our education system. The Constitution and Basic Law Promotion Steering Committee, led by the Chief Secretary for Administration, will extend its scope to cover patriotic education. The Committee will establish a Working Group on Patriotic Education, co-ordinating the work of government departments and non-governmental organisations (NGOs) in taking forward national education and dovetailing with the Patriotic Education Law of the People's Republic of China, with a view to enhancing education on our country's history, culture and current affairs on different fronts, thereby promoting patriotism and ensuring its continuity from generation to generation.

Establish the Chinese Culture Promotion Office

28. The Leisure and Cultural Services Department (LCSD) will establish a Chinese Culture Promotion Office, which will be tasked to plan and implement programmes to promote Chinese culture and history, and the Chinese Culture Festival will be organised starting from next year.

Set up Two Museums about Our Country and the War of Resistance

29. The Government will set up a museum to showcase the development and achievements of our country, covering areas such as its history, politics, economic development and culture. Before the commissioning of the new museum, the LCSD will set up exhibition galleries in existing museums to display the relevant contents and deepen public understanding of our country and national affairs. In 2024, we will convert the existing Hong Kong Museum of Coastal Defence into the Hong Kong Museum of the War of Resistance and Coastal Defence. It will focus on the history of the War of Resistance to cultivate a stronger sense of national esteem and patriotism. We will also collaborate with the Shenzhen Municipal Cultural

Relics Bureau to organise exhibitions introducing the joint efforts by Hong Kong and Shenzhen during the War of Resistance.

Education for Students

30. In July, President Xi Jinping replied to the students of Hong Kong's Pui Kiu Middle School, noting that patriotism is the core of the spirit of the Chinese nation. He encouraged students to gain a deeper understanding of global trends, delve into the history and culture of our country and national affairs, strengthen their affection for and sense of belonging to our country, and make contributions to building an even better Hong Kong and advancing national rejuvenation.

31. To help students cultivate the spirit underscored in President Xi's message, the Government will take forward the following measures starting from this school year:

- (i) <u>strengthen training for teachers</u> We will organise Mainland study tours for teachers, provide in-school enhancement programmes on national security education as well as teaching resources on our country's development and history with regular updates. The Education Bureau (EDB) will also conduct regular focus inspections on the implementation of national education, with plans to inspect at least 50 schools every year. The EDB will share experiences and promote the good practices observed in the focus inspections to enhance the quality and effectiveness of national education;
- (ii) <u>enhance national affairs education</u> The EDB will publish a Humanities Curriculum Framework for primary schools, which will be implemented starting from the 2025/26 school year. It will also strengthen training for Constitution and Basic Law Student Ambassadors and their national history learning experiences, organise more Chinese culture immersion activities, and enrich the contents of the Values Education Curriculum Framework so as to enhance students' learning about the Chinese culture, our country's history and geography, and issues on national security; and
- (iii) <u>offer diversified learning experiences</u> The EDB will launch the "Love Our Home, Treasure Our Country 2.0" series of inter-school national-education activities to enrich students' cognitive, affective and practical learning, and to promote exchanges and development among schools.

IV. Strive to Improve Governance

32. Since taking office, the current-term Government has strived to improve governance systems, capability and efficacy. We are also working to strengthen our leadership and execution capabilities.

33. In the last Policy Address, I set 110 indicators for specific tasks, including key performance indicators (KPIs). The performance of departments has generally met my expectations. The indicators have enabled me to monitor work progress and outcomes more effectively. More importantly, they have helped cultivate a result-oriented culture within the Government. For this Policy Address, to sustain my governing belief of engaging in pragmatic efforts and delivering results, I have set a total of 150 indicators, of which 73 are new. The remaining 77 indicators, introduced last year, are still on-going and valid.

Enhance Governance Systems

Interaction and Exchange between the Executive and the Legislature

34. In line with the executive-led structure and the principle of "patriots administering Hong Kong", the Government will continue to collaborate closely with the LegCo through the Chief Executive's Interactive Exchange Question and Answer Sessions, the LegCo Ante Chamber Exchange Sessions and face-to-face communication, etc. for better policy formulation. We will explore means to take these exchanges to a higher level, optimising the contribution of "patriots administering Hong Kong".

Liaison Mechanism with NPC Deputies and CPPCC Members

35. The HKSAR deputies to the National People's Congress (NPC) and the HKSAR members of the National Committee of the Chinese People's Political Consultative Conference (CPPCC) are members of the country's major institutions. Excelling themselves in different sectors, they are a key force dedicated to the country and Hong Kong. The Constitutional and Mainland Affairs Bureau will take forward the regular exchange mechanism to enhance communication and collaboration with NPC deputies and CPPCC members so as to rally patriots with affection for the country and our city and to build a better Hong Kong together.

Improve Governance at the District Level

36. We will fully implement the improved district governance structure and ensure its effective and efficient operation at the community level. With the

participation of patriots with dedication to serve, we would be able to better connect with the people and take their views into account in building the community. The Government will ensure that the seventh-term District Council elections are conducted in a fair, just, safe, clean and orderly manner. I call on all of you to cast your votes on 10 December. The new District Councils will begin operation in January. With the Care Teams established in all 18 districts, the governance structure at the district level is largely in place.

Establish a Framework on the Financing of Major Development Projects

37. The Government is taking forward a number of major development projects, including the Northern Metropolis and the Kau Yi Chau Artificial Islands. The projects will bring about substantial economic and social benefits, but they also require significant funding. The Government will establish the Committee on the Financing of Major Development Projects, led by the Financial Secretary, and the Office for the Financing of Major Development Projects to advise on feasible investment and financing options, taking advantage of market capital and efficiency. The two bodies will assess the feasibility of bringing in private investors for these projects, and thoroughly evaluate their financial viability to ensure the Government's fiscal sustainability.

Invest in the GBA

38. The Hong Kong Investment Corporation Limited is considering using the GBA Investment Fund, under its management, to set up a joint investment fund with the Guangdong Provincial Government and other institutions or corporations to invest in the GBA projects with social and economic benefits.

Enhance Governance Capability and Governance Efficacy

Advance Development of Digital Government

39. We will press ahead with the digitalisation of government services, using artificial intelligence (AI) and opening up more government data to accelerate development of digital economy. The Digital Economy Development Committee, chaired by the Financial Secretary, is conducting studies on digital infrastructure, cross-boundary data flow, digital transformation of enterprises and human resources support. The Committee will put forward its recommendations early next year.

40. The Government will set up the Digital Policy Office by merging the existing Office of the Government Chief Information Officer and the Efficiency

Office. Led by the Commissioner for Digital Policy, the new office will be responsible for formulating policies on digital government, data governance and information technology. It will consolidate information technology-related resources within the Government, promote the opening up of data and co-ordinate with departments to offer more digital services.

41. Before the end of this year, the Government will publish administrative guidelines to facilitate data flow and ensure data security to drive digital-based development. From 2024, we will launch over a hundred of digital government initiatives to promote digital government and the smart city. These projects include: issuing and verifying certain licences and certificates electronically by using blockchain technology; enhancing security in public cargo areas by employing AI technology; providing automated parking systems in newly completed government car parks and short-term tenancy car parks; providing electronic payment options for all government fees within one year; developing smart search-and-rescue mobile applications; and enhancing the 1823 enquiry service through AI chatbot.

42. The HKSAR Government will collaborate with the Guangdong Provincial Government to develop the "Digital Bay Area". Efforts include promoting the "Cross-boundary Public Services" initiative, under which Hong Kong residents can log into the Guangdong Government Service Network with "iAM Smart", while Guangdong and Hong Kong residents can use the self-help kiosks rather than having to access government services in person.

Strengthen the Civil Service Management System

43. A capable and efficient civil service is the key to good-quality government services. In September, when Hong Kong was hit by Super Typhoon Saola, followed by torrential rain, all government departments, including the non-emergency departments, came together and assisted in bringing the community back to normal soon after. I am grateful to all of them for their dedication and hard work.

44. The Government will continue to strengthen our management system, as follows:

(i) <u>advance the performance-based management system</u> – The streamlined mechanism for management-initiated retirement of officers with persistent sub-standard performance became effective in September. Regarding the disciplinary mechanism, we will enhance training for departments on investigating and handling disciplinary cases. Meanwhile, we will give due recognition to civil servants with outstanding performances and dedication to the community. Aside from the Chief Executive's Award for Exemplary Performance Scheme, the Government will publicise the civil servants' good work and dedication to serve. This will help boost staff morale and performance, while attracting talented people to join the Government;

- (ii) <u>update the Civil Service Code</u> In accordance with the principle of "patriots administering Hong Kong", civil servants must be well aware of the need to safeguard sovereignty, national security and development interests. They should be dedicated to their duties, care about the public, embrace collaboration and teamwork, and be committed and responsible. The Civil Service Bureau (CSB) submitted the first draft of the updated Civil Service Code last year. And at my request, it is reviewing the draft taking into account more comprehensive information. The CSB aims to issue the updated Code in the first quarter of next year or earlier for consultation with staff; and
- (iii) <u>introduce the Civil Service Staff Exchange Programme with the GBA</u> The HKSAR Government will introduce an exchange programme with civil servants from other GBA cities by the end of the year to dovetail with the development of the GBA.

Scale up Capability in Coping with Extreme Weather

45. With global climate change intensifying, it is likely that we will experience extreme weather more often. We will enhance our handling capabilities in respect of early warning, emergency preparedness, response and recovery to minimise the impact on society, with protecting people's safety as our priority.

46. Our preparedness and emergency response to Super Typhoon and the torrential rain in September generally met expectations, but in respect of early-warning arrangements, we were limited by technological constraints. There is, in short, room for improvement in enhancing the early-alert dissemination, including the content, transparency and frequency of the alerts. In dealing with the aftermath, the Government has strengthened its co-ordination and teamwork, resulting in improvement on staff mobilisation and the short time it took to bring society back to normal. Where we can improve is in publicity and education to strengthen awareness of personal safety and safe conducts under inclement weather, and the handling of airport arrivals under typhoon and suspension of public transportation service, etc.

47. To strengthen Hong Kong's capability in coping with extreme weather conditions, the Government will adopt a more pre-emptive and strategic approach, as follows:

- requesting departments and public bodies concerned, such as the Airport Authority Hong Kong (AAHK) and the MTR Corporation Limited (MTRCL), to conduct a comprehensive review of their contingency plans, guided by bottom-line thinking and the need to minimise loss caused to society;
- (ii) exploring ways to use big data, AI and other technology to improve our risk assessment capabilities on aspects of more uncertainties, such as meteorological forecast and alerts, flooding and landslide hazards, transport and traffic, etc.;
- (iii) conducting systematic investigations and studies on major landslide incidents triggered by extreme rainstorms and devising focused measures of landslide mitigation for more natural slopes; and
- (iv) taking forward expeditiously the \$8 billion drainage improvement works projects, covering Wong Tai Sin, Hong Kong Island East and other areas hit by severe floods in the past. The Drainage Services Department will complete its "Strategic Planning Study on Flood Management against Sea Level Rise and Extreme Rainfall" next year and develop a forward-looking strategy.

Enhance the Capability of Co-ordinated Emergency Management across the GBA

48. The Mainland has strong emergency-response capability, especially in terms of installation of heavy-duty equipment. A collaborative and complementary emergency-response mechanism will create synergy and benefit us all in the GBA. To that end, Hong Kong together with other GBA cities will formulate, negotiate and implement a new "Greater Bay Area Emergency Response and Rescue Operational Plan", establishing a systematic emergency-response mechanism that is mutually complementary and in the spirit of joint prevention and collaboration. This will strengthen the region's ability to prevent, mitigate and relieve natural disasters and other major public emergencies.

Cross-boundary Ambulance Service

49. The Government is discussing with the governments of other GBA cities on the provision of cross-boundary ambulance service so as to enable direct point-to-point hospital transfer of patients for better support.

V. Continue to Create Strong Impetus for Growth

Raise Competitiveness

50. The measures we launched last year to attract enterprises, investment and talents have generated positive results. On the trawl for talents, we have attracted about 160 000 applications, among which over 100 000 have been approved and around 60 000 talents have already arrived at Hong Kong as at end-September.

51. On our efforts to attract enterprises, the Office for Attracting Strategic Enterprises (OASES) has reached out to over 200 strategic enterprises, of which 30 are planning to establish their foothold or expand their operations in Hong Kong. A total of about \$30 billion of new investment is involved, with around 10 000 employment opportunities expected to be created. In the first nine months of this year, Invest Hong Kong (InvestHK) assisted over 300 Mainland and overseas enterprises in establishing or expanding their operations in Hong Kong, representing an increase of more than 25% over the same period last year.

52. We must nonetheless sustain our efforts to strengthen Hong Kong's competitiveness in view of the fierce global competition.

Trawl for Enterprises

53. The Government will continue its endeavours to attract enterprises, particularly those pertinent to Hong Kong's development as the "eight centres", including key enterprises and leading representatives in advanced technology, innovation and strategic industries.

Develop "Headquarters Economy"

54. We will develop "headquarters economy" to attract enterprises from outside Hong Kong to set up headquarters and/or corporate divisions in Hong Kong, bringing in quality enterprises to explore the immense opportunities brought about by the national and international dual circulation. We will facilitate foreign enterprises to tap into the Mainland market, and also assist Mainland enterprises in expanding abroad. The HKSAR Government will explore with the relevant central authorities feasible measures to facilitate Mainland enterprises in setting up headquarters and/or corporate divisions in Hong Kong, such as arrangements for investments relating to capital account.

Attract Companies to Re-domicile in Hong Kong

55. The Government will introduce a mechanism to facilitate companies domiciled overseas, in particular those with a business focus in the Asia-Pacific region, for re-domiciliation to Hong Kong. We aim to introduce the legislative amendments into the LegCo in the first half of next year. InvestHK and the Hong Kong Exchanges and Clearing Limited (HKEX) will reach out to major Hong Kong listed companies domiciled overseas and encourage them to re-domicile to Hong Kong.

"Multiple-entry Visa" to the Mainland for Foreigners Working in Companies Registered in Hong Kong

56. To attract more overseas companies to set up operations in Hong Kong and facilitate foreigners working in these companies to travel to the Mainland for business purposes, reinforcing our role to connect the Mainland with the world, foreign staff of companies registered in Hong Kong may, starting from tomorrow, apply with the Chinese Visa Application Service Centre in Hong Kong for "multiple-entry visas" valid for two or more years to the Mainland, enjoying priority processing.

Attract and Retain Talents

- 57. The Government will endeavour to trawl for and retain talents. We will:
 - (i) <u>establish the physical office of the Hong Kong Talent Engage</u> (HKTE) – Following the launch of the online platform for the HKTE last year, a physical office will be established by the end of this month. The office will provide support for incoming talents and follow up with their development and needs after arrival. In 2024, we will organise a "Global Talent Summit cum Guangdong-Hong Kong-Macao Greater Bay Area High-quality Talent Development Conference" to promote regional exchange and co-operation in talent attraction;
 - (ii) expand the coverage of universities under the Top Talent Pass Scheme To expand the network for attracting global talents, we will add eight top-notch institutions from the Mainland and overseas to the list of eligible universities under the scheme, making a total of 184 institutions, with effect from November;
 - (iii) <u>relax visa requirements</u> Starting from today, we will relax the visa policy in respect of employment for Vietnamese talents and the criteria for Vietnamese applying for "multiple-entry visas" for business and

travel. We will also relax the visa policy for Laotian and Nepalese talents for employment, training and study in University Grants Committee (UGC)-funded institutions;

- (iv) <u>implement the Capital Investment Entrant Scheme</u> Under the scheme, eligible investors who make investments of \$30 million or above in assets such as stocks, funds, bonds, etc. (excluding real estate) can apply for entry into Hong Kong. This will strengthen the development of our asset and wealth management business, financial services and related professional services. Details of the scheme will be announced by the end of this year; and
- (v) <u>the Vocational Professionals Admission Scheme</u> To alleviate the manpower shortage in skilled trades, starting from the 2024/25 admission cohort, non-local students of designated full-time professional Higher Diploma programmes of the Vocational Training Council (VTC) will be allowed to stay in Hong Kong for one year after graduation to seek jobs relevant to their disciplines. This pilot arrangement will be reviewed after two years.

Establish the Hong Kong International Legal Talents Training Academy

58. We will set up a dedicated office and an expert group within next year to take forward the establishment of the Hong Kong International Legal Talents Training Academy. Capitalising on Hong Kong's bilingual common law system and international status, the academy will regularly organise practical training courses, seminars, international exchange programmes, etc. to promote exchanges among talents in regions along the B&R. It will also provide training for talents in the practice of foreign-related legal affairs for the country, and nurture legal talents conversant with international law, common law, civil law and the country's legal system.

Establish the Hong Kong International Academy Against Corruption

59. The Independent Commission Against Corruption will establish the Hong Kong International Academy Against Corruption in the first quarter of 2024. The academy will organise professional training for graft fighters worldwide, as well as local public and private sectors, to promote the exchange of anti-corruption experience among experts and scholars from Hong Kong, the Mainland and overseas, strengthening Hong Kong's international status in integrity building.

Dovetail with National Strategies and Enhance the Development of the "Eight Centres"

60. The Government will consolidate and enhance Hong Kong's development of "eight centres" as outlined in the 14th Five-Year Plan, providing impetus for sustaining our competitiveness and economic growth.

International Innovation and Technology Centre

61. The Government promulgated last December the Hong Kong I&T Development Blueprint for developing Hong Kong into an international I&T centre. On the Emerging Ecosystems ranking in 2023, Hong Kong ranks second in the world and first in Asia. To further implement the Blueprint, we will:

- (i) <u>set up the New Industrialisation Development Office</u> Established under the Innovation, Technology and Industry Bureau and led by the Commissioner for Industry, the office will adopt an industry-oriented approach to promote new industrialisation in Hong Kong, support strategic enterprises to develop their businesses in Hong Kong, assist the manufacturing sector in upgrading and transformation by making use of I&T, and provide support for start-ups;
- (ii) <u>facilitate the research and development of microelectronics</u> We will establish the Hong Kong Microelectronics Research and Development Institute next year to lead and facilitate collaboration among universities, R&D centres and the industry, which will include exploring the third-generation semi-conductor core technology and leveraging the GBA's well-developed manufacturing supply chains and enormous market. The newly-built Microelectronics Centre will also be commissioned next year to provide advanced infrastructure and hardware facilities designated for microelectronics;
- (iii) <u>expedite the establishment of a supercomputing centre to foster</u> <u>AI development</u> – From next year onwards, Cyberport will establish an AI supercomputing centre in phases, with a view to supporting the huge demand for computing power from R&D and relevant sectors and promoting industry development;
- (iv) <u>support transformation of R&D outcomes from start-ups</u> The Research, Academic and Industry Sectors One-plus Scheme seeks to promote the transformation and commercialisation of R&D outcomes from universities. The results of its first batch of applications will be announced in the first quarter next year. We will double the maximum funding provided for

the Technology Transfer Office of each specified university to \$16 million, enabling universities to strengthen their support on technology transfer and expand marketing services. We will also attract more renowned Mainland and overseas start-up services agencies to set up their operations in Hong Kong for providing incubation services and development guidance;

- (v) <u>set up a \$10 billion New Industrialisation Acceleration Scheme</u> To promote the downstream development of new industrialisation, we will provide financial assistance for enterprises in the fields of life and health technologies, AI and data science, advanced manufacturing, and new energy technologies. These include providing funding support for the set-up of new production facilities on a one (Government) to two (company) matching basis, subject to a funding ceiling of \$200 million. We will also explore the feasibility of allowing enterprises under the scheme to employ non-local technical personnel more flexibly, and relaxing the limitation of the number of subsidised research talents that can be employed;
- (vi) promote cross-boundary data flow We signed a memorandum of understanding with the Mainland in June to foster secure cross-boundary flow of Mainland data within the GBA. We are liaising with the Guangdong Province to adopt an "early and pilot implementation" approach in the GBA to streamline the compliance arrangements for the flow of personal data from the Mainland to Hong Kong. This will facilitate the provision of cross-boundary financial and medical services within the GBA; and
- (vii) <u>establish the third InnoHK cluster</u> The two existing InnoHK research clusters focusing on healthcare technologies and AI have successfully convened top-notch R&D personnel from across the globe. We will initiate preparations next year for the establishment of the third cluster focusing on advanced manufacturing, materials, energy and sustainable development.

Promote 5G Development

62. Commercial 5G services in Hong Kong have already covered more than 90% of the population, and nearly 99% of the core business districts. We will enhance the coverage of 5G networks by expediting the expansion of mobile network infrastructure in rural and remote areas through subsidies, and supplying more spectrum to mobile network operators by auctions, with a view to improving the transmission speed of 5G networks.

East-meets-West Centre for International Cultural Exchange

63. The Government is actively promoting the cultural and creative industries. The Culture, Sports and Tourism Bureau (CSTB) will promulgate and implement the Blueprint for Arts and Culture and Creative Industries Development before the end of this year. We will also inject a total of \$4.3 billion to the Film Development Fund and the CreateSmart Initiative to provide incentives for attracting private sector capital and expanding new markets. Other measures include the following:

- (i) <u>establish the Cultural and Creative Industries Development</u> <u>Agency</u> – Create Hong Kong will be restructured as the Cultural and Creative Industries Development Agency, which will proactively promote the development of arts, culture and creative sectors as industries under the industry-oriented principle;
- (ii) strengthen the efforts of Economic and Trade Offices on cultural promotion Our Economic and Trade Offices in the Mainland and overseas will strengthen their promotion work on arts and culture, deepening cultural exchanges and promoting people-to-people bonds;
- (iii) <u>develop the film market</u> The Government will launch the Filming Financing Scheme for Mainland Market to support Hong Kong and Mainland cultural enterprises to invest in the productions of Hong Kong directors for release in the Mainland market. We will also launch the Hong Kong-Europe-Asian Film Collaboration Funding Scheme to sponsor film projects co-produced by Hong Kong filmmakers and their Asian and European counterparts in order to enhance international exchanges and nurture talent;
- (iv) <u>launch the Signature Performing Arts Programme Scheme</u> To nurture world-class performing arts productions and international cultural brands that are representative of Hong Kong, the Government will offer a subsidy capped at \$10 million and an additional \$5 million matching fund to match private sector funding. This will support representative and large-scale local signature performing arts productions to be staged as long-run performances, attracting more audiences from other places;
- (v) <u>increase the provision for cultural exchanges</u> The existing annual provisions will be increased by 40%, from \$50 million to \$70 million, to support more local arts groups and artists to perform, or participate in exhibitions and other activities outside Hong Kong;

- (vi) organise Hong Kong Fashion Design Week as a flagship initiative, it will feature prominent events on local fashion design for developing Hong Kong's fashion and textile design brands, as well as promoting Hong Kong as a prime destination for hosting major cultural and creative events; and
- (vii) launch the Pilot Scheme on the Use of School Venues by Arts Groups We will further open up school venues for rehearsals by arts groups during after-school hours on a pilot basis.

International Trade Centre

64. The Government will continue to reinforce and enhance Hong Kong's status as an international trade centre, tapping the opportunities in the eastward shift of global economic gravity and the high-quality development of our country.

Expand our Global Economic and Trade Networks

65. We will expand our global economic and trade networks and promote regional co-operation. While keeping our close ties with the European and the American markets, we will also expand our reach to the B&R markets, including those of ASEAN, the Middle East, Central Asia and Africa. To that end, we will:

- (i) <u>explore business opportunities with Mainland enterprises</u> We will organise more outbound missions with Hong Kong and Mainland enterprises to promote business opportunities for our professional services together with Mainland partners. We will also organise visits to the GBA for overseas enterprises operating in Hong Kong;
- (ii) <u>set up additional offices for business and trade along the B&R</u> We will strengthen our trade promotional efforts in these emerging countries; and
- (iii) <u>strengthen regional co-operation</u> The Government will continue to consolidate business co-operation and connections with the markets of ASEAN and the Middle East, etc. and strive for Hong Kong's early accession to RCEP. We will sign an investment agreement with Türkiye soon, and are negotiating a free trade agreement with Peru, plus investment agreements with Bahrain, Bangladesh and Saudi Arabia respectively. These would provide Hong Kong enterprises with legal protection and better market access.

Deepen Economic and Trade Co-operation with the Mainland

66. Since the signing of CEPA in 2003, the Mainland has fully or partially opened up 153 (or 96%) service sectors to Hong Kong's service industries, and Hong Kong products meeting the CEPA rules of origin enjoy zero tariff preference on entering the Mainland market. We are actively seeking to enrich the contents of CEPA by striving for further liberalisation, aiming especially at those sectors that Hong Kong enjoys competitive advantages (such as financial services), for the GBA as well as the entire Mainland, with a view to facilitating Hong Kong enterprises to tap the nation-wide domestic consumption market.

Action Plan on Modern Logistics Development

67. Logistics development is vital to our status as an international trade centre. In the Action Plan on Modern Logistics Development, to be published later this year, the Government will formulate strategies and action measures to realise smart development, modernisation, green and sustainability, internationalisation and facilitation, with a view to promoting high-quality and development of the logistics industry. In the first phase, we will develop modern logistics clusters in Hung Shui Kiu/Ha Tsuen New Development Area (NDA), which will serve as a logistics gateway to the GBA. The Government will also promote the upgrading of the logistics industry by leveraging on the major trend in smart logistics, and develop an information platform to facilitate the interconnection of local logistics data and goods and information flow across the GBA.

Promote Development of Convention and Exhibition Industry

68. The Government continues to promote the development of the convention and exhibition (C&E) industry, and will expand our C&E facilities, including the AsiaWorld-Expo and construction of new C&E facilities in Wan Chai North, raising our C&E space by 40% to 220 000 square metres in total.

Support Small and Medium Enterprises to Embrace Challenges

69. The Government will promote the continuous development of SMEs and support them to rise to challenges, including:

 (i) <u>tap into electronic commerce (e-commerce)</u> – In view of the rapid growth of e-commerce business worldwide, the Commerce and Economic Development Bureau (CEDB) will establish the inter-departmental E-commerce Development Task Force to implement policies assisting Hong Kong's SMEs in developing e-commerce business on the Mainland, including organising Hong Kong Shopping Festivals on e-commerce platforms to promote awareness of Hong Kong brands for developing the nation-wide domestic consumption market; launching "E-commerce Easy" under the Dedicated Fund on Branding, Upgrading and Domestic Sales to enable enterprises to make use of \$1 million for the implementation of e-commerce projects within the cumulative funding ceiling of \$7 million; and expediting the rollout of the Single E-lock Scheme and the Trade Single Window, etc. to enhance efficiency in customs clearance and e-commerce delivery;

- (ii) <u>strengthen export credit insurance</u> We will raise the statutory cap on the contingent liability of the Hong Kong Export Credit Insurance Corporation from \$55 billion to \$80 billion to enhance its underwriting capacity. The corporation will upgrade its free credit check services for policyholders regarding buyers from the 10 ASEAN member states, giving exporters more confidence in accepting overseas orders;
- (iii) <u>address the financing needs of SMEs</u> The application period of the principal moratorium arrangement under the SME Financing Guarantee Scheme ended in September, and some SMEs have already resumed normal repayment, with the principal moratorium arrangement of the remaining loans expiring gradually by the end of next year. Having regard to the cash flow situations of different enterprises, the Government will provide more flexible repayment options so that enterprises may choose to repay only 10%, 20% or 50% of the original principal amount payable each month during the specified period, enabling them to have more time to gradually switch to normal repayment;
- (iv) <u>utilise data to provide more efficient financing services for SMEs</u> The Commercial Data Interchange of the Hong Kong Monetary Authority provides enterprises (especially SMEs) and banks with an exchange platform covering various commercial data for credit underwriting. By the end of this year, the Commercial Data Interchange will be connected to the Government's Consented Data Exchange Gateway. This will enable financial institutions to obtain more useful data for accelerating credit underwriting; and
- (v) <u>support digital transformation of SMEs</u> Cyberport will launch the Digital Transformation Support Pilot Programme by the end of this year to subsidise SMEs in the retail and food and beverage sectors in applying for electronic payment and other digital packages.

International Financial Centre

70. Hong Kong is a leading international financial centre. It is also a global offshore Renminbi (RMB) business hub, an international asset management centre and a risk management centre. We will capitalise and unleash our advantages.

Strengthen the Competitiveness of the Stock Market

71. A vibrant stock market is vital for upholding Hong Kong's status as an international financial centre and maintaining our competitiveness. The Task Force on Enhancing Stock Market Liquidity has submitted its report. I have accepted the Task Force's recommendations, and will implement the following:

- (i) <u>reduce stamp duty on stock transfer</u> We will reduce the rate of Stamp Duty on Stock Transfer from the current 0.13% to 0.1% of the consideration or value of each transaction payable by buyers and sellers respectively. The target is to complete the legislative procedures by the end of November;
- (ii) <u>review stock trading spread</u> The HKEX and the financial regulators will review and explore reducing the minimum trading spreads to facilitate the market prices of those liquid but spread-constrained stocks to better reflect market circumstances and reduce bid-ask spreads. The HKEX will consult the market on the specific measures in the second quarter of next year;
- (iii) <u>reduce market data fees</u> The HKEX will provide fixed fee enterprise data packages, and review the fee structure of its real-time data services so as to facilitate investors obtaining real-time market data and reduce relevant costs. The new fee structure will be implemented later this year;
- (iv) <u>reform GEM</u> The HKEX has put forward its recommendations on GEM (formerly known as the Growth Enterprise Market) reform and commenced consultation. It has proposed to streamline the transfer mechanism to the Main Board and add a new listing route for R&D-focused companies, among other proposals. After considering public views, the HKEX plans to implement the revised Listing Rules in the first quarter of next year; and
- (v) <u>continue to promote stock market development</u> As for the other recommendations from the Task Force for enhancing the competitiveness of the stock market and promoting its sustainable development, including promoting the listing of overseas issuers, facilitating share repurchase by issuers, maintaining trading under severe weather, improving transaction mechanism, strengthening market promotion etc., as well as those on future directions for continuous market enhancement, I have asked the Securities

and Futures Commission to work with the HKEX closely to comprehensively examine how to implement the recommendations.

Other Measures to Reinforce the Competitiveness as the Financial Centre

72. We will strengthen the connection with domestic and overseas investors and markets to forge an innovative and diversified financial market. We will also seek to deepen mutual access with the Mainland financial market. Measures include the following:

- (i) <u>strengthen the offshore RMB business</u> The Government will continue to press ahead with the inclusion of RMB counters under the Southbound Trading of Stock Connect to facilitate the trading of Hong Kong stocks in RMB. We will take forward the introduction of offshore Mainland government bond futures and enrich the variety of RMB investment products, with a view to strengthening Hong Kong's position as an offshore RMB centre;
- (ii) <u>deepen financial co-operation in the GBA</u> We will take advantage of the financial reform and innovation measures in the Qianhai Co-operation Zone to expand the businesses of Hong Kong financial institutions in Qianhai. Relevant measures include facilitating Hong Kong's limited partnership funds to be qualified under the Qianhai Qualified Foreign Limited Partnerships (QFLP) to participate in private equity investment in the Mainland; and co-establishing the Shenzhen-Hong Kong Financial Co-operation Committee with the Shenzhen authorities in the first half of 2024. The committee will advise and offer suggestions in respect of bolstering mutual access to the financial markets, co-operation on financial technologies (Fintech) and green finance, and exchange of financial talents;
- (iii) establish a new platform to expand fund distribution We will establish a new integrated fund platform within next year to expand Hong Kong's fund distribution network, enhance market efficiency and lower transaction costs; and
- (iv) promote the development of green and sustainable finance in <u>Hong Kong</u> – Drawing on the successful experience in the implementation of the Fintech Proof-of-Concept Subsidy Scheme over the past two years, we will launch a dedicated proof-of-concept subsidy scheme for green Fintech in the first half of 2024. The new scheme will promote the development of technological solutions and provide early-stage funding support for pre-commercialised green Fintech, conducive to expanding the green Fintech ecosystem and developing Hong Kong into a green Fintech hub.

Regional Intellectual Property Trading Centre

73. The Government will leverage our advantages in legal, taxation and professional services to develop Hong Kong into a regional intellectual property (IP) trading centre. We will:

- (i) <u>enhance the IP legal regime</u> The latest amendments to the Copyright Ordinance came into force in May to strengthen copyright protection in the digital environment. We will conduct consultation next year to explore further enhancement of the Ordinance regarding protection for AI technology development;
- (ii) <u>implement the "patent box" tax incentive</u> We will introduce a bill into the LegCo in the first half of next year to reduce the tax rate for qualifying profits derived from patents from the existing 16.5% to 5%, with a view to encouraging more R&D activities, as well as transformation and commercialisation of patented inventions;
- (iii) <u>plan for regulatory arrangements on patent agent services</u> The Government will take the lead in discussing with stakeholders to plan for the introduction of regulatory arrangements for local patent agent services, covering professional qualification requirements and registration, as well as the regulatory model and framework, with the aim of enhancing service quality and nurturing talents; and
- (iv) <u>boost trading of local original works</u> The Hong Kong Trade Development Council (HKTDC) will enrich the Hong Kong International Film and TV Market, Hong Kong International Licensing Show and Hong Kong Book Fair, as well as its Asia IP Exchange portal, with more trading elements, such as including more business-matching activities and providing additional market information on IP trading and professional support services (such as legal, mediation and arbitration, accounting, valuation, etc.), so as to strengthen support for local original works to exploit the Mainland and international markets.

International Shipping Centre

74. Hong Kong is a free port characterised by fast customs clearance, high efficiency and strong international connectivity. We also have a quality ship registry and a vibrant maritime cluster. The Government will continue to consolidate Hong Kong's premier position in ship registration, develop the city into a leading international maritime centre, and facilitate maritime collaboration within the GBA. Measures include the following:

- action plan on maritime and port development strategy The Transport and Logistics Bureau (TLB) will publish an action plan later this year to enhance high-end maritime services, facilitate transformation towards zero emission, promote smart initiatives and digitalisation in the maritime industry, and promote exchanges and collaboration among maritime industries in the GBA and around the world;
- (ii) promote the development of high value-added maritime services The Commissioner for Maritime and Port Development under the TLB will co-ordinate efforts of various government departments and stakeholders to spearhead maritime development from an industry-oriented perspective, especially professional services such as maritime law, insurance, ship finance, etc., and develop our maritime strengths in collaboration with the trade;
- (iii) <u>expand the local maritime network</u> We have introduced tax concessionary measures for various maritime business services. Shipping commercial principals and overseas shipping companies have responded positively to the idea of establishing and expanding their businesses in Hong Kong. InvestHK will step up its recruitment efforts;
- (iv) <u>capitalise on Hong Kong's international position in maritime</u> <u>arbitration</u> – Hong Kong is one of the four designated arbitration venues in the Baltic and International Maritime Council (BIMCO)'s global standard maritime contracts, and is among the leading cities in the world for maritime services. We will enhance our co-operation with various international maritime organisations, including deepening the operation of the BIMCO and the International Chamber of Shipping in Hong Kong, as well as strengthening our role as a gateway for international maritime enterprises and organisations to enter the Mainland market; and
- (v) <u>strengthen collaboration in the GBA</u> We will prepare for the next Greater Bay International Maritime Conference so as to promote the comprehensive strength of the GBA port cluster, and continue to enhance logistics co-operation with other GBA cities, such as those in the west bank of the Pearl River, so as to facilitate cargo transhipment via Hong Kong using the Hong Kong-Zhuhai-Macao Bridge (HZMB). We will also work with the GBA port cluster to jointly enhance teacher exchanges and provide multi-location training programmes to strengthen the training of maritime talents.

International Aviation Hub

75. The Hong Kong International Airport (HKIA) continued to rank first in cargo throughput in 2022, demonstrating its long-standing leading position as an international aviation and cargo hub.

76. The Government will continue to work with the AAHK to enhance the competitiveness of the HKIA. We will press ahead with the Three-Runway System and various projects under the "Airport City" vision, including SKYCITY, the premium logistics centre at the South Cargo Precinct and the smart airport, for developing core passenger and cargo transport services. We will:

- (i) <u>open up opportunities for cargo transport</u> Operating on a pilot basis, the HKIA Logistics Park set up by the AAHK in Dongguan allows export cargo from the Mainland to go through security screening, palletisation and cargo acceptance in advance in Dongguan before being transported by sea to HKIA for export by air, without the need to repeat screening procedures and thereby achieving savings in time and operating cost. The operation has been smooth to date, and the AAHK plans to complete the first-phase construction of a permanent facility for the logistics park by end-2025 so that the cargo handling capacity will reach one million tonnes per annum. Furthermore, new facilities are being completed for the development of the international aviation hub, including the express cargo terminal of DHL Express at the HKIA, scheduled for opening next month, and the premium logistics centre recently completed by a joint venture led by Cainiao Network;
- (ii) <u>introduce autonomous transportation system</u> The AAHK will introduce an autonomous transportation system to carry passengers along the Airport City Link connecting SKYCITY and the Hong Kong Port Island of the HZMB from 2025 onwards, and it plans to extend the system to Tung Chung Town Centre in 2028;
- (iii) <u>enhance intermodal passenger service</u> Actively leveraging the complementarity with the Zhuhai Airport's aviation network in the Mainland, the HKIA will introduce the "Fly-Via-Zhuhai-Hong Kong" passenger service so that Mainland and international passengers can enjoy seamless travel between the Mainland and other places in the world via Zhuhai and Hong Kong in an "air-land-air" mode using the HZMB. In future, the new service will be promoted to more Mainland passengers; and
- (iv) <u>streamline screening of carry-on luggage</u> The AAHK will gradually introduce "Smartlane", beginning next year, so that passengers will not need to take out such items as liquids and electronic devices from their carry-on
luggage during aviation security screening, making the screening process faster and more convenient.

Centre for International Legal and Dispute Resolution Services in the Asia-Pacific Region

77. The Government will continue to develop Hong Kong into a centre for international legal and dispute resolution services in the Asia-Pacific region. We will:

- (i) extend the adoption of Hong Kong law and usage of Hong Kong's dispute resolution services by Mainland enterprises – We will strive for the extension of the measures of "allowing Hong Kong-invested enterprises to adopt Hong Kong law" and "allowing Hong Kong-invested enterprises to choose for arbitration to be seated in Hong Kong" from Qianhai, Shenzhen and Pilot Free Trade Zones in the Mainland to the whole GBA. We will also strive for state-owned enterprises' prioritisation of adopting Hong Kong law as the applicable law for their contracts, or choosing to use Hong Kong's dispute resolution services for resolving contractual disputes;
- (ii) step up efforts in establishing interface with the Mainland We will work with the Supreme People's Court on the establishment of a standing interfacing platform next year to take forward the research and practical work on judicial and legal matters relating to the GBA so as to address issues arising from the differences in the legal systems, including further enhancing the arrangement for cross-boundary service of judicial documents, studying the mechanism for mutual assistance in corporate bankruptcy proceedings, as well as matters relating to cross-boundary dispute resolution; and
- (iii) <u>deepen the mediation culture</u> Mediation is generally more affordable than commencing legal proceedings. The Government will enhance the mediation system by, for instance, strengthening the regulatory system on the accreditation and disciplinary matters of the mediation profession, incorporating standard mediation clauses in government contracts, and encouraging private organisations to incorporate similar clauses in their contracts.

Move Ahead with the Northern Metropolis as the New Engine for Growth

78. The Northern Metropolis is a new engine for Hong Kong's future growth. Upon full development, it will provide about 500 000 new housing units and create 500 000 new jobs. Adopting an "industry-driven and infrastructure-led"

approach as its key planning axle, the Northern Metropolis will forge a major hub for Hong Kong to integrate into the overall development of our country.

Northern Metropolis Action Agenda

79. The Government will shortly publish the Action Agenda for the Northern Metropolis. It will integrate deeply with the planning of Shenzhen and other GBA cities. From the west to the east, the Northern Metropolis will be divided into the following four major zones:

- (i) <u>high-end professional services and logistics hub</u> Covering Hung Shui Kiu and the surrounding area, and connecting with the Qianhai Shenzhen-Hong Kong Modern Service Industry Co-operation Zone, the hub will provide financial and professional services, on top of capitalising on the locational advantages of the boundary control points (BCPs) for developing the modern logistics industry;
- (ii) <u>I&T zone</u> Covering San Tin Technopole including the Hong Kong-Shenzhen Innovation and Technology Park in the Loop, it will create synergy with the Shenzhen Innovation and Technology Zone and serve as a hub for I&T development;
- (iii) <u>boundary commerce and industry zone</u> Occupying the largest stretch of land, this zone enjoys the geographic advantages of the BCPs at Lo Wu, Man Kam To and Heung Yuen Wai. Apart from driving the development of industries such as advanced construction, green environment industries, health care, food technology and modern logistics, this zone will promote cross-boundary business services and entertainment spending, giving full play to its powerful function as a BCP commercial zone; and
- (iv) <u>blue and green recreation, tourism and conservation circle</u> Comprising areas endowed with rich cultural heritage and natural resources, such as Robin's Nest, Sha Tau Kok and Yan Chau Tong, this circle will promote recreation and tourism development.

80. The Northern Metropolis will be steered towards the development of different industries to promote economic and social development. Initiatives include: reserving sites in Hung Shui Kiu, the New Territories North New Town, etc. for the development of post-secondary institutions to build the Northern Metropolis University Town; reserving sites in Kwu Tung North, Hung Shui Kiu, etc. for government offices buildings to accommodate government departments including those relocating from the Harbour Metropolis; and providing iconic cultural and arts facilities in San Tin Technopole, New Territories North, etc. Keeping in view the demand and supply of international school places, we will

reserve sites in the Northern Metropolis for the development of international schools to meet the education needs of non-local families. We will also take forward the establishment of Sam Po Shue Wetland Conservation Park, featuring the integration of development with conservation.

81. We will leverage market forces to expedite the development of the Northern Metropolis. We will extend the "Enhanced Conventional New Town Approach" to all NDAs and improve its operational arrangements, such as applying the land exchange arrangements to designated sites for industries and private community/welfare facilities, and facilitating landowners owning 90% or above of private land within a development site to carry out consolidated development.

82. Having reviewed the plan to build a public columbarium at Sandy Ridge in the North District, the Government will change the use of the two-hectares site for I&T and related purposes given the sufficient supply of public niches in the future.

The Development Plan for Shenzhen Park of Hetao

83. The Hetao Shenzhen-Hong Kong Science and Technology Innovation Co-operation Zone is the convergence point of the Northern Metropolis and the Guangzhou-Shenzhen innovation and technology corridor. The Central Government promulgated in August the Development Plan for Shenzhen Park of Hetao Shenzhen-Hong Kong Science and Technology Innovation Co-operation Zone, setting out the development positioning of the Shenzhen Park. The HKSAR Government will render its full support and work with the Shenzhen Municipal Government to foster the synergistic development of the Hong Kong Park and the Shenzhen Park. Innovative measures under exploration are as follows:

- providing travel convenience for R&D personnel by, for example, enabling those who have pre-registered to enjoy streamlined access between the two parks, and adopting technology to facilitate faster movement, such as the use of facial recognition technology to achieve contactless clearance;
- (ii) facilitating cross-boundary capital flow within the Hetao Co-operation Zone;
- (iii) facilitating exchanges on data and samples (including clinical biological samples) collected for research or trials;
- (iv) capitalising on Hong Kong's advantages in convening international talents to play leading roles in participating in the work of the Hetao Co-operation Zone; and

(v) taking forward frontier technological research and expediting pilot production and transformation in support of the development of the Hetao Co-operation Zone. An example is the establishment of a public R&D service platform for biomedicine to dovetail with the development of the Greater Bay Area International Clinical Trial Centre in Shenzhen Park.

84. The spatial planning of the Northern Metropolis, particularly the San Tin Technopole, will align with the development positioning of the Hetao Co-operation Zone. It will also fully integrate with the strategy on enhancing Hong Kong's I&T competitiveness to pave way for the future development of the Hetao Co-operation Zone in a forward-looking manner. Out of the about 600 hectares of development land in the San Tin Technopole, half is for I&T use. We will ensure that policies on cross-boundary supporting infrastructure, land approval, public-private partnership, etc. are in active support of the relevant development to achieve synergy.

Revitalise Tourism

85. Tourism is one of the major driving forces of Hong Kong's economy. The Central Government also fully supports the enhanced collaboration between the Mainland and Hong Kong on tourism. The recently launched "Night Vibes Hong Kong" has boosted the city's vibrancy and vitality, bringing novel experience to our residents and visitors, and showcasing the unique charm of Hong Kong as a metropolis. We will continue our efforts to co-ordinate with the concerned sectors in creating new attractions with characteristics at suitable locations. CSTB will also enhance its efforts in promoting the development of tourism and related industries, such as retail, catering and hotels, including:

- (i) formulate the Development Blueprint for Hong Kong's Tourism Industry <u>2.0</u> – We will consult the trade in order to make enhancements in various aspects to complement tourism development. The Blueprint 2.0 will be published next year;
- (ii) <u>develop signature tourism products</u> The Cultural and Heritage Sites Local Tour Incentive Scheme will be transformed into the Characteristic Local Tourism Incentive Scheme to provide more in-depth itinerary design, training, etc., with a view to encouraging the trade to develop more thematic tours, including national history tours, green ecology tours, marine tours, traditional culture tours, pop culture tours, intangible cultural heritage experiences, night time adventure, etc., to showcase the diversified cultural landscape of Hong Kong;
- (iii) <u>enhance cruise tourism development</u> Through creating demand in source markets, developing cruise tourism products and improving support

infrastructure in the vicinity of the Kai Tak Cruise Terminal, we strive to attract more cruise ships to Hong Kong and strengthen Hong Kong's competitiveness as Asia's cruise hub in the long run. An action plan on the development of cruise tourism economy will be announced in the first half of 2024;

- (iv) promote smart tourism An inter-departmental Working Group on Smart Tourism will be set up under CSTB to formulate and implement initiatives to promote smart tourism, including launching a new round of Information Technology Development Matching Fund Scheme for Travel Agents, adopting technologies to enhance visitors' experience (such as augmented reality), driving tourist attractions to provide multilingual virtual guides, and making use of smart technologies to strengthen management of inbound tour groups; and
- (v) <u>establish Sha Tau Kok Cultural Tourism Zone</u> Starting from early next year, we will gradually open up the Sha Tau Kok Frontier Closed Area (excluding Chung Ying Street). In the initial stage, visitors can apply online for Closed Area Permits to enter Sha Tau Kok for sightseeing. This will promote cultural and eco-tourism of Sha Tau Kok and nearby outlying islands. We will also explore with the Shenzhen Municipal Government the feasibility of developing a cultural tourism zone in Sha Tau Kok on the Hong Kong side and Shatoujiao on the Shenzhen side, including exploring arrangements to facilitate access to the cultural tourism zone by visitors of both sides.

Promote the New Energy Transport Industry

86. The Government will make every effort to promote the use and supply of new energy in sea, land and air transport so as to spearhead green transformation of the relevant trades. We will also explore the development of new energy industrial chains to promote green economy. We will:

- (i) <u>develop a green maritime fuel bunkering centre</u> We will study the feasibility of providing green methanol bunkering for both local and ocean-going vessels, and promulgate next year an action plan for the construction of bunkering facilities and development of supply chains. We will also take forward the preparatory work, including technical studies and installations, on providing liquefied natural gas (LNG) bunkering for ocean-going vessels;
- (ii) promote the supply of sustainable aviation fuel (SAF) With the increasing use of SAF by airlines around the world, the AAHK will formulate an action

plan to drive the use of SAF in Hong Kong. The Government will monitor the development trend closely for forward-looking planning;

- (iii) <u>support green transformation of public land transport</u> Between the end of this year and next year, we will continue to test out more new energy vehicles, including electric public light buses, electric heavy goods vehicles, electric coaches, hydrogen double-deck buses and hydrogen street washing vehicles. We will earmark \$50 million to subsidise the trade to purchase wheelchair accessible electric taxis. In the first half of 2024, we will formulate a citywide green transformation roadmap and timetable for public buses and taxis, with a view to achieving zero vehicular emissions by 2050. Besides, we will provide support to realise our goal of introducing about 700 electric buses and about 3 000 electric taxis by end-2027;
- promote the use of electric private cars The first registration tax (iv) concession arrangements for electric vehicles have borne fruit. Over 60% of newly registered private cars in the first half of this year were electric. The growth rate is among the fastest in the world. The Government strives to expand the network of charging facilities, and aims to increase the number of public and private parking spaces with charging infrastructure to about 200 000 by mid-2027. To expedite the expansion of the private charging network, the Government will, from the end of this year, marketise the free charging services currently provided in government carparks. The Government will also refine the land lease conditions for petrol-filling stations with a view to offering incentives to retrofit electric vehicle charging facilities in the stations, and convert them into green energy refuel stations in the longer run. To this end, the Government will invite tender in the first quarter of next year for the conversion of two vacant petrol-filling station sites to charging stations; and
- (v) <u>formulate the Strategy of Hydrogen Development in Hong Kong</u> Hydrogen fuel can be used in the fields of transport, power generation and energy storage, as well as construction site equipment. In the field of transport, it is particularly relevant to the green transformation of commercial and heavy goods vehicles. We will formulate the Strategy of Hydrogen Development in Hong Kong in the first half of next year, and commence the preparatory work for the necessary legislative amendments pertaining to the production, storage, transportation and application of hydrogen fuel with a view to introducing a bill into the LegCo in 2025.

Promote the Sustainable Development of Agriculture and Fisheries Industries

87. In collaboration with the trade, the Environment and Ecology Bureau will publish the Blueprint for the Sustainable Development of Agriculture and Fisheries by the end of this year. Priority measures include: introducing a public-private partnership model for designated sites under the Agricultural Park Phase 2 in Kwu Tung South; setting aside a plot within the Ma On Shan Sai Sha Road Garden for launching a pilot project on modern urban farming; introducing the concept of "harvest-to-sale" and setting up modern hydroponic farms and stalls on suitable rooftops of public markets, with the first project to be set up in the Tin Shui Wai Public Market under construction; exploring the feasibility of allowing farms engaged in commercial agricultural production to offer leisure farming activities as ancillary businesses; offering government sites in Sheung Shui area to livestock farms affected by government development projects with the provision of technical and financial assistance; and providing new deep-sea cages in four new fish culture zones for rental by the fisheries industry in stages.

Streamline the Licensing Regime of Food Businesses

88. The Food and Environmental Hygiene Department will streamline the licensing regime of food businesses from the first quarter next year. The measures include: expanding the scope of the Professional Certification System, which adopts a "licence first, inspection later" approach, to cover general restaurants; introducing a "composite permit" that covers multiple restricted food items to obviate the need for separate applications; setting more lenient licence terms for farms engaged in commercial agricultural production to facilitate the sale of their cooked produce; issuing e-licences for all food business applications and providing applicants with information on the application status online; and enhancing guidelines on licence application to help reduce start-up costs of micro, small and medium-sized enterprises.

VI. Earnestly Address People's Concerns and Difficulties in Daily Life

Land and Housing as the Top Priority

Policy Vision

89. Sufficient supply of land and housing is the key to making Hong Kong a better place for living and working. The Government is taking all possible steps to spearhead land production, and we are seeing signs of improvement in housing supply. We have identified sufficient land to meet housing demands in the coming 10 years, resolving the long-term housing shortage. To improve our living environment, we will focus on a few other long-standing housing concerns, including sub-divided units (SDUs), urban renewal, building safety, etc.

First-Year Progress

90. Measures put forward in my last Policy Address to enhance the quantity, speed, efficiency and quality of public housing supply are making good progress, as follows:

- the average waiting time for public rental housing (PRH) has been capped and reduced from the peak of around six years to 5.3 years. We are on track to meet the target of reducing the composite waiting time to 4.5 years by 2026-27, reversing the rising trend of many years;
- (ii) under the PRH Advance Allocation Scheme, more than 2 000 PRH units will be completed in the first half of 2024, advancing the completion by about five to eight months and enabling PRH applicants to move in earlier;
- (iii) the first batch of about 2 100 Light Public Housing (LPH) units will be completed in 2024-25, and about 30 000 units will be completed by 2027-28, to alleviate the severe shortage of supply in the coming five years. The supply of PRH in the second five-year period will increase significantly as a result of the Government's efforts to speed up and expand housing production, shortening the waiting time substantially; and
- (iv) the Private Subsidised Sale Flat Pilot Scheme has been launched. Starting from 2023-24, three sites will be put up for tender for private developers to develop subsidised sale flats (SSFs), with the first two tender sites providing at least 2 000 units.

91. The Housing Bureau will release the Long Term Housing Strategy (LTHS) Annual Progress Report in end-October. The public housing demand for the next 10 years (from 2024-25 to 2033-34) is 308 000 units. The Government has identified sufficient land for developing about 410 000 public housing units, i.e. about 100 000 units above the supply target. This will substantially shorten the waiting time for PRH. In the next five years (from 2024-25 to 2028-29), total public housing supply, including LPH, will reach 172 000 units. Compared with the five-year period at the beginning of the current-term Government (from 2022-23 to 2026-27), an additional of 67 000 households will be benefitted¹.

92. As for overall land supply, it is estimated that there will be more than 7 000 hectares of land supply in the 30-year period up to 2048. After taking into account the projected land demand, there will be a land reserve of at least 1 000 hectares. To keep track of our land production, the Government released, for the first time, a 10-year supply forecast of developable land (spade-ready sites) last year. Based on the latest data, the supply of spade-ready sites will reach 3 370 hectares in the next 10-year period (from 2024-25 to 2033-34), with an increase of 90 hectares compared to the 10-year supply forecast made last year. Land production is progressing on schedule, and all such supply is from Government-led projects including the Northern Metropolis. The development of the Northern Metropolis will span across 20 years, and our target is to release all the land use and development proposals in 2024, commence land resumption by 2027, and form 40% of the new development land and complete 40% of the new flats by 2032.

Housing: Enhance Quantity, Speed, Efficiency and Quality

Public Housing

93. The Government will enhance public housing by adopting the following measures:

(i) <u>extend the mortgage default guarantee period for SSFs in the second-hand</u> <u>market</u> – The Hong Kong Housing Authority (HKHA) will relax the arrangements on mortgage default guarantee for SSFs, including extending the current maximum mortgage default guarantee period of the second-hand market from 30 years to 50 years to allow purchasers to have mortgage loans of longer tenor and help the circulation of flats;

¹ For the five-year period at the beginning of the current-term Government (from 2022-23 to 2026-27), the overall supply of public housing units was about 105 000 units.

- (ii) <u>sustain HKHA redevelopment projects</u> The HKHA is planning or undertaking 10 redevelopment projects² to provide some 32 800 flats in total. It will also take the opportunity to provide additional local open space and recreational facilities in the redeveloped public housing estates;
- (iii) promote smart estate management The HKHA will select 10 PRH estates as pilot sites next year for trial adoption of such innovative technologies as the Internet of Things sensors, AI and mobile devices. These will help daily estate management; and
- (iv) <u>optimise the Modular Integrated Construction (MiC) approach to enhance</u> <u>speed, efficiency and quality</u> – HKHA will continue to apply innovative construction technologies, as well as testing and improving the techniques of the MiC approach, to enhance building quality and expedite construction.

Establish a Task Force on Tackling the Issue of Subdivided Units

94. The issue of SDUs stems from the prolonged shortage of land and public housing, which is a very complicated and requires meticulous planning to resolve. The Government has been increasing the overall supply of public and private housing. In particular, the supply of PRH units in the coming decade will exceed the supply target projected in the LTHS, making it an opportune time to resolve this long-standing problem.

95. There are currently about 220 000 people living in around 110 000 SDUs. According to a preliminary survey, many SDUs offer undesirable living conditions, and most occupants are awaiting PRH allocation. That said, certain SDUs offer a slightly better living environment, and some occupants therein may have higher incomes and even possess properties, having opted to live in SDUs because of the convenient locations for going to work or study.

96. I will establish a Task Force on Tackling the Issue of Subdivided Units, led by the Deputy Financial Secretary, with the Secretary for Housing as deputy. I will assign the task force to study the issue in detail, presenting recommendations along the following directions in 10 months' time:

- (i) set the minimum standards of living conditions for SDUs in terms of their building safety, fire safety and hygiene requirements, living space, etc.;
- (ii) suggest measures to eradicate substandard SDUs;

² Including Pak Tin Estate (older part), Mei Tung Estate (older part), Wah Fu Estate, Sai Wan Estate, Ma Tau Wai Estate, Shek Lei Interim Housing, Yip On Factory Estate, Sui Fai Factory Estate, Wang Cheong Factory Estate and Kwai On Factory Estate.

- (iii) prevent the resurgence of substandard SDUs; and
- (iv) put forward solutions to address the problem in an orderly manner, covering necessary administrative and legislative proposals.

Private Housing

97. According to the LTHS, the supply target for private housing in the next decade is projected to be 132 000 units. The Government will make available sufficient land in the next five years to provide about 80 000 units.

98. While stabilising the supply of private housing, the Government continues to offer SSFs including the Home Ownership Scheme (HOS), the Green Form Subsidised Home Ownership Scheme (GSH), the Starter Homes for Hong Kong Residents, and the new Private Subsidised Sale Flat – Pilot Scheme, etc. This overall framework enriches the housing ladder that bridges the public housing and private housing markets.

Adjust the Demand-side Management Measures for Residential Properties

99. Against the backdrop of tight housing supply and solid demand for property purchase, the Government has since 2010 introduced several rounds of demand-side management measures to curb short-term speculation activities and reduce external demand. This has been done to ensure the steady development of the property market and accord priority to the home ownership needs of the people of Hong Kong. Nonetheless, over the past year, interest rates have risen significantly, various economies have shown moderated growth, and transactions of the local residential property market have declined alongside a downward adjustment of property prices.

100. With the increasing housing supply in Hong Kong in the coming years and having considered the overall situation, the Government has decided to, with immediate effect from today, make the following adjustments to the demand-side management measures for residential properties:

- shorten the applicable period of the Special Stamp Duty (SSD) from three years to two years. In other words, if a property owner disposes of his/her property two years after acquisition, he/she will no longer need to pay the SSD, which amounts to 10% of the property price;
- (ii) reduce the respective rates of the Buyer's Stamp Duty (BSD) and the New Residential Stamp Duty (NRSD) by half, from 15% to 7.5%. This arrangement will help alleviate the financial burden on Hong Kong

Permanent Residents (HKPRs) who have already owned residential properties in their acquisition of another residential property, as well as reduce the costs of non-HKPRs in their acquisition of residential properties; and

(iii) introduce a stamp duty suspension arrangement for incoming talents' acquisition of residential properties. This is an enhancement of the stamp duty refund arrangement introduced last year for eligible incoming talents, whereby an incoming talent is required to pay the BSD and the NRSD at the time of property acquisition and will get a refund of the stamp duty paid when the talent concerned has resided in Hong Kong for seven years and become a HKPR. Under the suspension arrangement, the payment of stamp duty concerned is suspended at the time of property acquisition, but the talent is required to pay the relevant amount if he/she is subsequently unable to become a HKPR. This new arrangement applies to any sale and purchase agreement entered into from today onwards.

The Government will continue to closely monitor the property market to ensure its healthy and steady development.

Create Developable Land to Build More Housing

Speed up Land Production and Development

101. The Government will continue to expedite land production to solve the longstanding land supply conundrum. We will:

- streamline statutory and administrative procedures Followed by the amendments to the relevant statutes, the Government will introduce more administrative measures to simplify procedures, for example, to complete straight-forward title-checking cases within 12 weeks to expedite disbursement of land resumption compensation; and to relax the gross floor area (GFA) exemption for aboveground carparks to speed up the development process;
- (ii) <u>extend the arrangement for standardisation of land premium³ We will,</u> within this year, regularise the "standard rates" arrangement for the redevelopment of industrial buildings and extend the applicable scope to cover industrial buildings for special uses completed before 1987. The

³ As an alternative to the conventional mechanism for premium assessment (i.e. individual premium assessment based on the circumstances of each case), the arrangement for charging land premium at "standard rates" provides certainty on land premium through promulgation of a set of standard rates on land premium in advance.

Government will also introduce a pilot scheme to extend the arrangement in phases to agricultural land in the New Territories. The first phase targets at private developments within the existing new towns of Yuen Long, North and Tuen Mun districts, as well as those in the vicinity of railway stations; and

(iii) <u>expedite the approval of building plans</u> – Building Information Modelling (BIM) helps improve building design and speed up construction. The Government will promulgate this year a roadmap for full adoption of BIM in the preparation and approval of building plans for private development projects. We will ask the Hong Kong Housing Society, the Urban Renewal Authority (URA) and the MTRCL to act as pioneers from the second quarter of next year by adopting BIM in preparing building plans of residential projects.

Enhance the Efficiency of Urban Renewal

102. In view of urban decay and ageing buildings, we will speed up redevelopment and step up the maintenance of aged buildings. We will:

- (i) <u>fully embrace the "planning-led" redevelopment approach</u> The URA is conducting planning studies for Tsuen Wan and Sham Shui Po, with the comprehensive urban renewal master plans and restructuring proposals expected to be ready by phases from the second half of 2024. We are also implementing the recommendations from the District Study for Yau Ma Tei and Mong Kok, permitting interchangeability between the domestic and non-domestic plot ratios of selected areas, removing the plot-ratio restriction of the commercial zone along Nathan Road, and rezoning certain character streets to increase incentives for redevelopment. In the coming five years, the URA will commence redevelopment projects of the "Nullah Road Urban Waterway" in Mong Kok East and the "Street Consolidation Areas" in Yau Ma Tei South;
- (ii) <u>enhance URA's financial capability</u> To enable the URA to cope with future financing demand, the Government granted approval in mid-2023 for raising its borrowing limit from \$6 billion to \$25 billion. We will also provide suitable land for the URA at nominal land premium to enhance the viability of the concerned redevelopment projects and increase the usable resources available to URA;
- (iii) adopt a more target-oriented approach in lowering the compulsory sale application thresholds – Last year, we proposed to lower the compulsory sale application thresholds from 80% of ownership to 60% to 70% with

reference to the building age. Taking into account stakeholders' views, the Government considers that apart from the building age, the need for redevelopment of the district should also be taken into account in determining the applicable threshold. As a general principle, lower thresholds should be adopted for older buildings in districts with more pressing need for redevelopment. The Development Bureau (DEVB) will elucidate the revised proposal and introduce an amendment bill by the end of this year; and

(iv) <u>explore a new mechanism for large-scale redevelopment projects</u> – We will embark on a study this year to explore feasible policy measures to use part of the reclaimed land outside the Kau Yi Chau central business district to facilitate implementation of urban redevelopment projects by the public and private sectors.

Release Development Potential

103. We will also optimise the use of existing land to unleash development potential. We will:

- (i) <u>revitalise Hung Hom Station and nearby sites</u> We will invite the MTRCL to conduct a preliminary study and submit proposals next year to re-plan and develop a total land area of about 10 hectares covering the Hung Hom Station and the railway facility sites in the vicinity, as well as the waterfront and pier facility sites to the south of the Hong Kong Coliseum so as to upgrade the facilities of the Hung Hom Station, release commercial and residential floor area, and create a vibrant harbourfront. The Government will also explore ways to enhance pedestrian connectivity between Hung Hom and Tsim Sha Tsui East, and improve the waiting areas of the bus stops near the Cross Harbour Tunnel;
- (ii) <u>develop the ex-Lamma Quarry site</u> The Government will complete the study to map out the development direction of the 20-hectare site next year, with consideration given to developing the site for accommodation facilities with lower traffic demand, such as senior citizen residential units, residential buildings for talents, and accommodation for personnel involved in recreational training. We will also optimise the use of the quarry site and shoreline to provide leisure and recreational facilities for island tourism;
- (iii) <u>optimise the use of "Green Belt" areas</u> More than half of the approximately 16 000-hectare "Green Belt" areas are subject to clear development constraints. Of the remaining 8 000 hectares, 1 200 hectares are included in various development projects; and the feasibility of housing

development of another 255 hectares is being assessed, as announced last year. Developing the rest of the "Green Belt" areas, which include many slopes, has been considered highly challenging. As we have already identified enough land for housing, industry and other developments for the coming 30 years, the Government has no plan for the time being to further use the "Green Belt" areas for large-scale development. Nonetheless, we will consider using some of the sites for recreational and tourism purposes. For example, South Lantau offers rich eco-recreational resources, and could be developed for eco-tourism or recreational uses, including eco-recreational facilities at Cheung Sha, Shui Hau, Shek Pik and Pui O. The DEVB will gauge public views in the first half of next year; and

(iv) <u>pursue mixed development under the "single site, multiple use" model</u> – We are taking forward six pilot projects under the "single site, multiple use" model. For instance, the Joint-user Complex project at Anderson Road Quarry is scheduled for completion in 2027. We will continue to adhere to this development concept in providing sports, recreational, cultural and social welfare facilities for the community.

Enhance Building Safety and Improve Building Management

104. The Government is concerned about the dilapidation of aged buildings, including the spalling of concrete or renderings from building facades in recent months. We will continue to collaborate with the URA to provide owners with technical and financial support for building repairs. In addition, the Buildings Department (BD) will, starting from this quarter, initiate prosecution against owners' corporations (OCs) or owners who have not complied with notices served under the Mandatory Building Inspection Scheme (MBIS) and where there is a lack of progress. Moreover, we will comprehensively review the policy in the following three directions. First, adopt a more precise approach in selecting target buildings for issuance of the MBIS notices. Second, proactively identify higher-risk buildings, and enhance the capabilities of the BD to inspect such buildings and carry out emergency repair works through outsourcing. Third, review the workflow of various stages of Operation Building Bright 2.0 to provide practical assistance and urge owners or OCs who have applied for the subsidy to expedite actions, such as streamlining the procedures for engaging professionals to speed up building inspections and commencement of the works concerned. The DEVB will put forth specific recommendations along the above directions in the first quarter of next year.

105. The Government will put forth proposals next year to amend the Buildings Ordinance, with a view to increasing its deterrent effect. We will explore streamlining prosecution procedures and lowering the prosecution threshold, as

well as raising the penalties against non-compliance with notices served under the MBIS and the Mandatory Window Inspection Scheme, repair and investigation orders, unauthorised building works and other illegal building works. The Government will also strengthen the registration and disciplinary systems of contractors to enhance professionalism and ensure the quality and safety of works.

106. To promote good building management, the Government will introduce a bill into the LegCo later this year to amend the Building Management Ordinance to strengthen the regulation of OCs in respect of large-scale maintenance projects, minutes of meetings, financial statements, etc. The Fire Services Department will also establish a support centre by the end of this year to provide support in complying with requirements of the relevant legislation on enhancing fire safety of old buildings.

Kau Yi Chau Artificial Islands

107. The Kau Yi Chau Artificial Islands will provide 1 000 hectares of land, creating a new central district with liveable, smart, green and resilient development strategies. The Kau Yi Chau Artificial Islands will also connect the Hong Kong Island, Lantau Island, the airport, New Territories West and even Qianhai of Shenzhen. The Government will commence the environmental impact assessment process this year. The newly established Committee on the Financing of Major Development Projects will put forward proposals on the financing arrangements for the reclamation of the Kau Yi Chau Artificial Islands, associated infrastructure and strategic transport infrastructure development. We also plan to set up a gallery to showcase our major construction projects including the Northern Metropolis and the Kau Yi Chau Artificial Islands.

Strengthen Transport Network

Major Transport Infrastructure Development Blueprint

108. The Government has completed public consultation on the Three Railways and Three Major Roads proposals⁴ recommended under the Strategic Studies on Railways and Major Roads beyond 2030, announced last year. In the Hong Kong Major Transport Infrastructure Development Blueprint, to be published by the end of this year, the Government will outline the implementation of all major transport infrastructure, with a view to improving our railway and major road networks. The blueprint will include the enhanced Three Railways and Three

⁴ Namely the Hong Kong-Shenzhen Western Rail Link (Hung Shui Kiu-Qianhai), the Central Rail Link, the Tseung Kwan O Line Southern Extension, the Northern Metropolis Highway, the Shatin Bypass and the Tseung Kwan O-Yau Tong Tunnel.

Major Roads proposals, and new projects including two railways and one major road. The enhanced proposals include the provision of three intermediate stations at Northeast Tsuen Wan, Northeast Kwai Chung and Tsuen King Circuit on the Central Rail Link and transit to the Tsuen Wan Line. The new two railways and one major road will be conducive to the development of new towns in the eastern part of the Northern Metropolis. These include:

- (i) <u>Northern Link Eastern Extension</u> Extending the Northern Link to Ping Che via Lo Wu South and Man Kam To areas, connecting NDAs and different boundary control points;
- (ii) <u>Northeast New Territories Line</u> Providing a north-south railway from Heung Yuen Wai to Fanling Station of the East Rail line, via Ping Che and Queen's Hill areas, linking major development nodes; and
- (iii) Northern Metropolis Highway (New Territories North New Town Section) – Extending the Northern Metropolis Highway from Fanling North to the east to connect Sha Tau Kok Road Interchange, enhancing east-west connectivity in the New Territories North.

Construct Smart and Green Mass Transit

109. Taking into consideration of "SkyShuttle", "Autonomous Rail Rapid Transit" and "Bus Rapid Transit", I have decided to implement smart and green mass transit in the following areas:

- (i) <u>East Kowloon</u> Connecting Kwun Tong uphill areas, including Choi Wan, Shun Lee, Shun On, Sau Mau Ping, Po Tat and Ma Yau Tong, to facilitate access to the MTR Choi Hung Station and Yau Tong Station, improving the overall transportation of East Kowloon and unleashing development potential;
- (ii) <u>Kai Tak</u> Connecting the Kai Tak runway area to the MTR Kai Tak Station to strengthen connections among the residential and commercial developments, including facilities focused on tourism, culture and recreation, sports and the community in general; and
- (iii) <u>Hung Shui Kiu/Ha Tsuen</u> Running through Hung Shui Kiu/Ha Tsuen NDA and Yuen Long South Development to provide connections to the Tuen Ma Line, the Light Rail, and major public transport interchanges.

110. The Government will commence the preparatory work, including planning, investigation and design work, for the above projects and invite suppliers and operators to submit expressions of interest for the projects in East Kowloon and Kai Tak next year so as to finalise the details, including tender conditions.

VII. Work Together to Safeguard Harmony and Stability

111. The Government will coalesce the community in building a caring and inclusive society that is conducive to family development. We will also enhance the quality of healthcare services, and foster the development of the labour force.

112. We have reviewed the Population Policy Report published in 2015, taking into account the latest development. Hong Kong's current demographic structure and population trend remain largely in sync with the directions envisaged in the Report. Based on this, I have decided to introduce measures focusing on promoting childbirth and creating an environment conducive to childbearing, while also strengthening support for the elderly, including the development of the "silver economy".

Promote Fertility and Create a Childbearing Environment

113. Hong Kong's birth rate remains at its lowest level. The average parity of local couples dropped to a record low of 0.9 in 2022. Meanwhile, Hong Kong has among the longest life expectancies in the world – the proportion of elderly persons aged 65 and above will increase from 20% of Hong Kong's population to nearly one-third by the end of the next decade.

Support Families with Newborns

114. Childbearing is a major life decision involving many considerations. As experience and research worldwide make clear, government policies alone cannot boost fertility substantially. Nevertheless, it is imperative that the Government set a firm policy direction to encourage childbearing amid our persistently low birth rate. To that end, we will implement the following measures:

- (i) <u>Newborn Baby Bonus</u> We will provide a one-off cash bonus of \$20,000 for each baby born today or after in Hong Kong to a parent who is a HKPR. This measure will last for three years and will be reviewed then;
- (ii) <u>raise the accommodation-related tax deduction ceiling</u> Starting from the year of assessment 2024/25, we will raise the deduction ceiling for home loan interest or domestic rents from the current \$100,000 to \$120,000, an increase of 20%, for taxpayers who live with his/her first child born today or after until the child reaches the age of 18;
- (iii) priority arrangement for SSFs The HKHA will introduce the "Families with Newborns Flat Selection Priority Scheme" to raise the chances for

families with newborns to purchase SSFs. Starting from the HOS sale exercise next year, a quota of flats will be reserved for balloting and priority flat selection by family applicants with babies born today or after until the children reach the age of three. In each of the HOS or GSH sale exercise, an additional 10% of the total number of flats will be reserved for the purpose of selection priority; and

(iv) priority arrangement for PRH allocation – The HKHA will introduce the "Families with Newborns Allocation Priority Scheme" to advance the allocation of PRH flats for families with newborns. Under this scheme, applications of families that have babies born today or after will have their waiting time for PRH flats reduced by one year. This arrangement will take effect from next April.

Support Assisted Reproductive Services

115. Noting that some couples may need assisted reproductive technology to conceive a baby, the Government will enhance support in this regard. We will:

- (i) Increase the public service quota for assisted reproductive services Over the next five years from 2024-25 to 2028-29, the Hospital Authority (HA) will gradually increase the assisted reproductive service quota for in-vitro fertilisation (IVF) treatment by more than 60%, from 1 100 treatment cycles per year to 1 800 treatment cycles per year. The HA will also enhance the training for the related professional personnel; and
- (ii) provide tax deduction for assisted reproductive services Starting from the year of assessment 2024/25, the Government will provide a deduction for expenses on assisted reproductive services under salaries tax and personal assessment, subject to a ceiling of \$100,000 a year.

Assist Working Families in Childbearing

116. The Government will also strengthen support for working families in childbearing and unleash their labour force. We will:

- (i) <u>increase the Working Family Allowance</u> Starting from next April, the household and child allowances under the Working Family Allowance Scheme will increase by 15% to alleviate their burden;
- (ii) increase child care centre places and allowances Over the next three years starting from 2024, 10 more aided standalone child care centres (CCCs) will be set up in phases, providing about 900 additional places for day child care services. Starting from next April, the Child Care Centre Parent Subsidy,

which is applicable to all government-aided standalone CCCs and CCCs attached to kindergartens, will be increased from a maximum of \$600 to \$1,000 per month. The Social Welfare Department (SWD) will also provide information and assistance to private organisations applying for registration to operate CCCs to encourage their provision of child care support for their employees;

- (iii) <u>extend the After-School Care Programme for Pre-primary Children</u> to cover all districts – Over the next three years starting from 2024, the After-School Care Programme for Pre-primary Children will be extended in phases to cover all districts in Hong Kong. The number of participating centres will be increased from 16 to 28, and the number of service places from about 670 to nearly 1 200; and
- (iv) strengthen the home-based child care service To encourage more people to participate in the Neighbourhood Support Child Care Project, starting from next April, the incentive payment at the standard rate of \$25 per hour for home-based child carers of the Project will be increased. For carers of infants and young children aged 0-3 or children with special learning needs, the rate will be more than doubled to \$60 per hour. For carers of children aged 3-9, the rate will be increased by 60%, to \$40 per hour. From the fourth quarter of next year, the number of service places under the Project will be doubled to about 2 000, with the estimated number of beneficiaries to be doubled to 20 000.

Promote Family Education

117. Nurturing children present new challenges for parents, including issues surrounding children's education and maintaining marital relationship. The Government will launch a five-year Funding Scheme on the Promotion of Family Education in the latter half of next year to support community projects promoting family education. The new Scheme will consolidate existing initiatives, with the annual amount of funding increased to \$8 million.

Caring for the Elderly

118. In the face of an ageing population, the Government formulates cross-sectoral policies and initiatives to cater for the needs of the elderly. Over the past year, the Government has strengthened support for ageing in place and lifted the quality and quantity of residential care homes for the elderly (RCHEs). Examples include expanding the Integrated Discharge Support Programme for Elderly Patients, regularising the Pilot Scheme on Community Care Service Voucher for the Elderly, enhancing the Incentive Scheme to Encourage Provision

of Residential Care Home for the Elderly Premises in New Private Developments, providing more residential care places for the elderly, importing care workers from outside Hong Kong, commencing the Review of Manpower for Healthcare Services in Residential Care Homes, etc. Considerable achievements have been made.

Elderly Services

119. The Government will continue to strengthen elderly services according to the principle of "ageing in place as the core, with institutional care as back-up". We will:

- (i) provide more choices for cross-boundary elderly care The Government earlier relaxed the eligibility of the Residential Care Services Scheme in Guangdong to allow Hong Kong private organisations with experience and a good track record in providing subsidised residential care services for the elderly to join the scheme. We will explore extending the scheme to include specific RCHEs operated by Mainland organisations next year so that elderly persons retiring in the Mainland cities of the GBA will have more choices. Based on the experience gained, we will also explore subsidising elderly recipients of the Comprehensive Social Security Assistance (CSSA) who opt to stay in RCHEs under the Residential Care Services Scheme in Guangdong to better support elderly persons who choose to retire in the GBA;
- (ii) expand the Residential Care Service Voucher Scheme for the Elderly Starting from the second quarter of next year, we will extend the coverage of the voucher from care-and-attention places to nursing home places, and provide 1 000 more vouchers, so that more eligible elderly persons can be admitted to participating RCHEs without waiting;
- (iii) <u>improve quality of life through technology</u> In 2024-25, the Government will inject an additional \$1 billion into the Innovation and Technology Fund for Application in Elderly and Rehabilitation Care to enhance the subsidies for eligible elderly and rehabilitation service units to procure, rent and trial technology products, such as ultra-low beds for medical and nursing care and intelligent anti-wandering systems, with a view to improving the quality of life of the elderly and persons with disabilities and reducing the pressure of carers;
- (iv) promote elderly-friendly building design The Deputy Financial Secretary will co-ordinate with the relevant bureaux to put forward proposals next year for incorporating universal design concepts (i.e. enabling use by the widest range of persons as far as possible) and accessibility (i.e. facilitating mobility) into the BD's building design manual; and

 (v) inject funding into the lifelong learning fund for the elderly – In 2024-25, the Government will inject an additional \$80 million into the Elder Academy Development Foundation to encourage lifelong learning and integration into the community among the elderly.

Silver Economy

120. While elderly persons with care needs require our assistance, the majority of elderly persons are healthy and energetic. The growing elderly population is emerging as a main consumer group, creating considerable demand for such products and services as medical and healthcare, leisure and recreation, and home and personal care catered for the elderly. These products and services enhance the quality of life for the elderly and spur industry growth and business opportunities. To tap into the business potential of the "silver economy", the CEDB will establish an Advisory Panel on Silver Economy comprising experts of different fields to conduct an in-depth research and offer recommendations. The HKTDC will also incorporate "silver economy" elements into more exhibitions to enhance the promotion of relevant products and services.

Caring and Inclusive Community

Support Persons with Disabilities

121. To address the needs of persons with disabilities, the Government provides a variety of rehabilitation services catering to different types and levels of disability. These services include pre-school rehabilitation, vocational rehabilitation, centre-based or home-based community support services, as well as hostels for severely mentally handicapped persons, halfway houses and hostels for severely physically handicapped persons, etc. The Government will continue to strengthen the support in this regard, including the following measures:

- (i) <u>provide subsidy to encourage employment</u> We will implement a three-year pilot scheme to provide an additional subsidy of \$500 per month to employed disabled recipients of CSSA as a means of encouraging their employment. This will benefit some 6 800 persons with disabilities;
- (ii) strengthen the services of residential care homes for persons with disabilities (RCHDs) and day training services – Given the ageing of users of RCHDs, the Government will increase nursing staff in RCHDs in the coming year to enhance care for their ageing residents. We will also increase service places of the Extended Care Programme in Day Activity Centres and the Work Extension Programme to enhance care for persons with disabilities

using day training services who are ageing or have deteriorating health conditions;

- (iii) <u>encourage developers to construct and operate RCHDs in their</u> <u>development projects</u> – Drawing reference from the prevailing arrangements applicable to private RCHEs, the Government will launch the "Incentive Scheme to Encourage Provision of Residential Care Homes for Persons with Disabilities in New Private Developments" this year. Eligible RCHDs will be exempted from premium payment for lease modifications, land exchange or private treaty grants, and the relevant GFA of the RCHD will not be counted in the calculation of total permissible GFA for the entire project;
- (iv) <u>optimise the establishment of resource teachers for aided special schools</u> Starting from the 2024/25 school year, we will strengthen the establishment of resource teachers for the primary and secondary sections of aided special schools, and extend the initiative to cover schools for social development, allowing them to provide additional learning and developmental support for students with autism spectrum disorder; and
- (v) increase the number of representatives of persons with disabilities and carers in the Rehabilitation Advisory Committee – The Government has completed the review of the Committee's composition. There will be more representatives of persons with disabilities and their carers in the next term of the Committee to better gauge their needs.

Support Carers

122. Carers play an important role in supporting elderly persons and persons with disabilities to live in the community. The Government is committed to supporting carers of elderly and carers of persons with disabilities, including providing financial assistance, care skills training, counselling and emotional support etc., and in parallel providing the elderly and persons with disabilities with personal care, home cleaning, rehabilitation training, respite services, etc. to relieve the pressure on carers.

123. With the aim of alleviating the physical and mental pressure of carers, the Government launched the 24-hour Designated Hotline for Carer Support last month to provide professional support on consultation, counselling, matching of respite services, etc., and will launch a one-stop Information Gateway for Carers next month to facilitate and encourage carers to seek timely assistance. We will continue our efforts to support carers through the following:

(i) <u>mobilise Care Teams</u> – The Government will pilot in Tsuen Wan and Southern Districts to engage the Care Teams to help, through visits or contacts, identify carers of elderly persons and carers of persons with disabilities requiring support, and refer cases to the relevant social welfare service units for follow-up. The Government will review the effectiveness of the implementation in the pilot districts, and consider extending the services to other districts. We will also assist households referred by the Care Teams to install emergency alarm systems as necessary;

- (ii) <u>expand the network of respite services</u> Carers of elderly persons or persons with disabilities may need to rely on community respite services for temporary relief when they need to take short breaks or attend to personal matters. We will request about 140 RCHEs under the Enhanced Bought Place Scheme, about 20 RCHDs under the Bought Place Scheme for Private RCHDs, and about 190 service units participating in the Community Care Service Voucher Scheme for the Elderly to provide residential and day respite services when there are vacant residential care places or service places for care-receiving individuals. Carers in need will also be matched with respite services through the social workers of the designated hotline for carer support;
- (iii) <u>strengthen peer support services</u> In the coming two years, the SWD will set up four additional Parents/Relatives Resource Centres for carers of those in mental recovery to support people in mental recovery and their carers;
- (iv) promote publicity on caring for the carers This three-year campaign encourages people from all walks of life to show their empathy, support and care for carers. In the first year, under the theme of "Helping Carers Help Themselves", publicity will focus on encouraging carers to help themselves. In the second year, under the theme of "Walk with Carers", publicity will emphasise standing by carers. In the third year, under the theme of "Fostering a Carer-Friendly Community", publicity will focus on creating a community environment that supports carers;
- (v) <u>support special school leavers and their carers</u> Designated teams will be set up in the second quarter of next year to proactively contact carers of special school leavers six months before graduation to provide training on caring and interaction skills, arrange post-school care plans and link with community support services; and
- (vi) <u>utilise technology to reduce the burden and pressure of carers</u> We will expand the scope of the Innovation and Technology Fund for Application in Elderly and Rehabilitation Care to cover gerontechnology products suitable for household use. Eligible elderly and rehabilitation service units can procure suitable technology products for lending to elderly persons, persons

with disabilities and their carers for use at home. This will improve the quality of life of the care recipients and relieve the pressure of the carers.

Protect Children

124. The LegCo is scrutinising the Mandatory Reporting of Child Abuse Bill. We look forward to the early passage of the bill and the implementation of the mandatory reporting regime for early identification and intervention into child abuse cases. The Government will provide training for mandated reporters and draw up guidelines. We will also increase the number of emergency places for residential child care service.

125. The Committee on Review of Residential Child Care and Related Services, formed last year, has completed its review. The Government will follow up on and progressively implement the relevant recommendations, including stepping up inspections and unannounced visits, increasing the number of residential child care service places, strengthening the support and training for foster families, etc.

126. To encourage more willing individuals to become foster families, the Government will substantially increase the incentive payment for foster families starting from next April. For foster care service, the payment will be more than doubled from around \$5,000 to about \$11,000 per month. For emergency foster care service, it will be doubled from around \$6,600 to about \$13,000 per month. Additional support will be provided to foster families taking care of children with special learning or care needs, including arranging early assessment and appropriate professional rehabilitation therapy and training.

Support the Development of Welfare Services Organisations

127. The Government will set up a dedicated fund of \$500 million to help NGOs operating subvented welfare services meet their development needs for staff training and system enhancement, particularly in enhancing professional knowledge of their staff and strengthening awareness of inter-disciplinary collaboration, as well as encouraging and promoting the application of information technology, etc.

Targeted Poverty Alleviation

128. The current-term Government has adopted the strategy of targeted poverty alleviation by directing resources to those most in need. Based on the latest statistics and multi-dimensional analyses of household characteristics, employment and income conditions, cash welfare assistance and living conditions, etc., the Commission on Poverty has identified three groups for targeted poverty alleviation:

households residing in SDUs, single-parent households and elderly households. In the coming year, the Government will implement various targeted poverty alleviation projects catering to the needs of these target groups. We will:

- (i) <u>enhance the Strive and Rise Programme</u> Through tripartite collaboration among the Government, the business sector and the community, focused support will be given to junior secondary students from underprivileged families, particularly those living in SDUs. The second round of the programme will begin at the end of this month, including such new elements as: increasing the number of mentees from 2 800 to 4 000, with an extension to cover Secondary Four students; enriching the variety of group activities with more Mainland study and exchange tours; introducing mentorship groups; and establishing an Alumni Club for mentees who have completed the programme to provide them with diversified social activities and internship opportunities. The total number of benefited mentees will increase to 6 800 in the 2023/24 school year, reaching 12 000 in the 2025/26 school year;
- (ii) launch a Pilot Programme on Community Living Room – While we will embark on a study to tackle the issue of SDUs in the long term, we also strive to improve the living and community environment of the SDU households. We will launch a Pilot Programme on Community Living Room (CLR) later this year. Under the pilot programme, the business sector will provide venues and the Community Care Fund (CCF) will provide the funding to commission NGOs to operate the CLRs. The CLRs will offer shared kitchens and dining rooms, as well as common spaces for doing homework, holding interest classes and group activities, providing SDU households with additional living space in their respective communities. To strengthen community support for the service targets, the pilot programme will also arrange information and talks, make referrals to other community services as appropriate, and approach the business sector and local organisations for in-kind donations, such as food or food vouchers, as well as providing volunteer services like homework guidance. The first CLR under the pilot programme will be rolled out at Fuk Wa Street of Sham Shui Po later this year, for a period of three years. The CLR is expected to serve at least 500 SDU households, with about 80 000 attendance a year. We will review the effectiveness one year after operation, and consider extending the pilot programme to other communities with more SDU households;
- (iii) <u>operate the School-based After School Care Service Scheme</u> We will roll out a School-based After School Care Service Scheme in the 2023/24 school year to allow primary students in need to stay at school outside school hours

for care and learning support. This will help their parents go to work and will also benefit single parent households. The scheme will be implemented on a trial basis in 50 primary schools in districts with more targeted students for one year, and will be reviewed. NGOs will be engaged to run the services at the participating schools, benefiting some 3 000 students; and

(iv) <u>support singleton or doubleton elderly households</u> – Despite the continuous development of elderly services and increasing dedication of resources, singleton or doubleton elderly households remain vulnerable, and we need to reach out proactively to offer support. To that end, the Government will mobilise community resources and will, starting from the first quarter of next year, engage the Care Teams in Tsuen Wan and Southern districts as pilots, to arrange visits and contacts for singleton or doubleton elderly households. The Care Teams will assist the households in seeking relevant government support services, and refer cases with welfare needs to the relevant social welfare units for follow-up. The Government will review the effectiveness of the implementation in the pilot districts, and consider extending the services to other districts.

Care Teams

129. In the last Policy Address, I announced the establishment of the Care Teams, which have contributed considerably towards district care and social services. An example was last month's Super Typhoon and torrential rain, in which the Care Teams in the Southern and Tsuen Wan districts promptly assisted the residents affected. The selection of Care Teams in all 18 districts has been completed and they are now ready to kick-start their service, converging community resources and efforts to support district work, and foster ties with the communities. The Government will, having regard to the operation of Care Teams to facilitate their work.

Women's Development

130. Following the allocation of additional funding to establish the Women Empowerment Fund last year, the Government will set up under the Home and Youth Affairs Bureau (HYAB) a dedicated Women Affairs Team and designate the post of Commissioner for Women Affairs to steer work related to women's affairs. Key initiatives for the coming year include launching a one-stop family and women information portal; organising the first Family and Women Development Summit to collect views for formulating more focused measures; and introducing a maintenance mediation pilot scheme through CCF to assist the parties concerned,

including women who are victims of maintenance arrears, to resolve disputes through mediation.

Promote Hometown Culture

131. The Home Affairs Department will launch the Clansmen Culture Promotion Scheme in the first quarter of 2024 for a period of three years, with a total funding of \$30 million earmarked for application by local clansmen associations to organise activities promoting hometown culture. The scheme aims to deepen the public's understanding of and sense of belonging to their hometowns, thereby fostering the spirit of loving the motherland, Hong Kong and their hometowns.

Ethnic Minorities

132. Ethnic minorities (EMs) form an integral part of Hong Kong. The Government has been providing them with services and support on various fronts, such as integration into the community, education, employment, welfare and healthcare. Measures include:

- (i) <u>integration into the community</u> The Government will set up two additional support service centres for EMs next year, one in Kowloon Central and the other in New Territories East, bringing the total number of these centres to 10. These service centres provide EMs with language classes, after-school tutorial classes, integration programmes, counselling services, etc. Each of the centres will be invited to set up one EM Care Team to reach out to EM households, understand their needs and introduce public services they need. Also, we will continue to enhance the support provided by these centres for EM new arrivals and youths, and will regularise the District-based Programmes for Racial Harmony;
- (ii) <u>education</u> EDB will continue to encourage non-Chinese speaking (NCS) students to learn Chinese for integration into society. Our enhanced efforts include designing Online Chinese Language Self-learning Resources for NCS students to provide diversified learning materials; preparing for the offer of after-school Chinese language courses for lower primary NCS students on a trial basis using adapted learning materials for the Youth Chinese Test; expanding the Summer Bridging Programme to include NCS students progressing to primary 5 and primary 6 starting from the 2023/24 school year; and increasing the number of schools that provide school-based life planning services for NCS students, etc.;
- (iii) <u>employment</u> Government departments may design their own job-oriented language tests according to the requirements of individual grades to enable

applicants to meet the appointment requirements of relevant grades in respect of language proficiency. Departments will also step up recruitment and outreaching efforts to invite job applications from EMs;

- (iv) <u>the District Ambassador Scheme</u> The SWD will extend the EM District Ambassador pilot scheme for three years to engage EMs or designated persons to support EMs in the welfare service units of NGOs and the SWD; and
- (v) <u>emotional support and counselling</u> We will collaborate with NGOs to set up a service centre on a trial basis to provide emotional support and counselling services for EMs.

Labour Support

133. The prevailing manpower shortage has constrained the pace of economic recovery of Hong Kong. To meet the imminent needs, we have, on a time-limited and non-permanent basis, enhanced the mechanism for admission of talents and labour. The Government attaches great importance to giving priority to local workers on employment. We will strengthen the training, support and protection for local workers, expand the potential labour force, enhance the productivity of our workers and create high-quality employment opportunities to cater for the need of our workers.

Strengthen Training to Promote Re-employment

134. To encourage the latent labour force to enter the labour market, we will complete the legislative amendments early next year regarding increasing the maximum monthly retraining allowance by nearly 40% from \$5,800 to \$8,000 early next year. Furthermore, the Employees Retraining Board (ERB) will roll out a two-year pilot scheme in the first quarter of next year, allowing employers to arrange enterprise-based pre-employment training, with the provision of retraining allowance. The first phase of the pilot scheme will target trades facing severe manpower shortage, such as healthcare, catering, retail and hotel hospitality services. Upon completion of training, trainees will be offered employment contracts by the participating enterprises, lasting for no less than one year and with salary above the prevailing market wage. The ERB will also offer the trainees six-month placement follow-up services and skill training.

135. The ERB will review its service scope, training strategies and operation mode, etc. to better meet the needs of Hong Kong's economic development and manpower training, and promote continuous learning and skills development for all. It will submit recommendations in the third quarter of next year.

136. The Government will launch a three-year Re-employment Allowance Pilot Scheme, targeting at elderly and middle-aged persons aged 40 or above who have not been in paid employment for three consecutive months or more. To encourage these persons to rejoin the workforce, those who have worked for six consecutive months will be provided with a maximum allowance of \$10,000, while those who have worked for 12 consecutive months will be given an additional maximum allowance of \$10,000. Some 6 000 persons are expected to be benefitted.

Statutory Minimum Wage

137. The Minimum Wage Commission will submit a report by the end of this month on how to enhance the review mechanism of the Statutory Minimum Wage. The Government will consider and follow up on the recommendations made by the Commission, and decide on the way forward of the review mechanism in six months' time.

The "Continuous Contract" Requirement

138. The Labour Advisory Board (LAB) is discussing how to revise the "continuous contract" requirement (commonly referred to as the "418" requirement). Under this requirement, an employee is entitled to comprehensive employment benefits only if he/she is employed by the same employer for four weeks or more and has worked for 18 hours or more each week. The LAB has agreed in principle to revise the requirement by using the aggregate working hours of four weeks as the basis of calculation, and is deliberating on the working hour threshold. The Government will amend the Employment Ordinance as soon as possible after the LAB has reached a consensus.

Healthy Hong Kong

Develop into a Health and Medical Innovation Hub – Establish a Drug Approval Authority based on "Primary Evaluation" in the Long Run

139. With our high-quality medical care services and efficient healthcare system, Hong Kong is among the places with the longest life expectancy in the world. We are determined to leverage Hong Kong's medical strengths with the long-term objective of establishing an authority that registers drugs and medical devices under the "primary evaluation" approach, i.e. to directly approve applications for registration of drugs and medical devices based on clinical data, without relying on other drug regulatory authorities. We will endeavour to attract more pharmaceutical and medical device enterprises, both locally and from around the world, to conduct R&D and clinical trials in Hong Kong, and build up the

capacity, recognition and status to ensure that the eventual approval mechanism of drugs and medical devices of Hong Kong would be widely recognised internationally and by the Mainland. We will:

- (i) set up a preparatory office for the Hong Kong Centre for Medical Products Regulation (CMPR) – A preparatory office will be set up to study the potential restructuring and strengthening of the current regulatory and approval regimes for medicine, medical devices and medical technology. The office will also put forward proposals and steps for the establishment of the CMPR which will be a step towards the transition to the "primary evaluation" approach in approving applications for registration of pharmaceutical products, and explore the upgrading of the CMPR as a standalone statutory body in the long run. This will help accelerate the launching of new drugs and medical devices to the market, and foster the development of R&D and testing of medical products and related industries;
- (ii) accession to the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) – We will pursue Hong Kong, China's accession to ICH as an observer to familiarise with and promote the latest development of drug regulation, and to pave the way for developing Hong Kong into an internationally recognised regulatory authority for drugs and medical devices in the long run;
- (iii) establish the Greater Bay Area International Clinical Trial Institute We will establish the Greater Bay Area International Clinical Trial Institute in the Hetao Shenzhen-Hong Kong Science and Technology Innovation Co-operation Zone next year to provide a one-stop clinical trial support platform for medical research institutions. The Institute will co-ordinate clinical trial resources in the public and private healthcare sectors in Hong Kong, including researchers, supporting services, data banks, sample banks, laboratories, etc. We will discuss with the Shenzhen Municipal Government regarding a cooperation framework, with a view to achieving coordinated development of the Hong Kong and Shenzhen Parks. We will also explore cooperation with the clinical trial networks in the Mainland, in particular the GBA, through the Institute, and co-ordinate clinical trial work between the two places to comply with national and international standards;
- (iv) promote clinical research and trials under the HA The HA will establish the Cluster Clinical Research Support Office in 2024-25. The office will provide advisory and support services for frontline staff, introduce additional measures to encourage medical teams to participate in clinical researches and trials, expedite the process of ethics review of clinical

research, and strengthen the systems and mechanisms for supporting clinical research and data sharing; and

(v) establish the new "1+" mechanism to expedite the approval of new drugs – To accelerate patients' access to new chemical or biological entities (NCEs) and promote the development of clinical trials and research and development of drug in Hong Kong, we will enhance the existing drug regulatory regime by establishing the new "1+" mechanism this year. Under this mechanism, pharmaceutical products containing NCEs for life-threatening or severely-debilitating diseases with local clinical data will be allowed to register conditionally with only one certificate of pharmaceutical product (instead of two under the prevailing arrangement) issued by reference drug regulatory authorities (e.g. the National Medical Products Administration).

Continue to Promote Primary Healthcare Development

140. The Government released the Primary Healthcare Blueprint late last year, which sets out the development direction and strategies for coping with the challenges brought about by an ageing population and the increasing prevalence of chronic diseases. We are pressing ahead with our work on various fronts, which include: advocating the concept of "family doctor for all", with 3 400 family doctors enrolled in the Primary Care Directory (representing an increase of around 20%); providing subsidised hypertension and diabetes mellitus screening and management service for persons aged 45 or above starting from this November; enhancing the Elderly Health Care Voucher Scheme to include audiologists, dietitians, clinical psychologists, speech therapists; and allowing the shared use of elderly health care vouchers between spouses and rolling out a new reward scheme. The Government will continue to work with the healthcare sector and NGOs to implement the blueprint.

Strengthening Capacity to Combat Communicable Diseases

141. While Hong Kong has successfully combatted the COVID-19 pandemic, we must possess a sense of crisis for better preparation of emerging communicable diseases. The Government will enhance the local capacity in surveillance, early warning and prevention and control; strengthen the joint disease prevention and control as well as manpower training with the Mainland authorities; and promote, through local university, international cooperation in scientific research in areas such as vaccines. To that end, the Hong Kong Jockey Club will provide funding of \$3 billion to support related efforts.

Digital Healthcare Record

142. The Government will roll out the eHealth+ to build a comprehensive healthcare information infrastructure over the next five years. We aim to develop a personalised eHealth account for every resident to deposit their digital health records in both public and private sectors, and to integrate the healthcare service processes. eHealth+ will allow users to check and carry electronic health records as well as scheduled appointments through mobile phones anytime. The new system will also support various healthcare policies and reforms more effectively, especially on cross-boundary medical collaboration within the GBA.

Enhance Public Healthcare Services

143. The HA will continue its efforts to enhance public healthcare services including:

- reducing the waiting time of stable new case bookings for two specialties, namely Ear, Nose and Throat, and Orthopaedics and Traumatology, by 10% in 2024-25;
- setting up Hong Kong's first Chest Pain Centre in Queen Mary Hospital in 2025 in accordance with national accreditation standards, with a view to optimising patient journey for patients suffering from cardiovascular diseases, improving treatment outcome and increasing survival rate; and
- (iii) establishing a breastmilk bank and formulating the related mechanism for breastmilk donation in 2025 to provide breastmilk for infants and young children who cannot be breastfed by their biological mothers, and especially to minimise the chance of serious illness in premature or severely-ill babies.

Oral Health

144. In the light of the views of the Working Group on Oral Health and Dental Care, established last year, the Government will accord priority to enhancing the oral health of the community. In the coming two years, we will:

- launch the Primary Dental Co-care Pilot Scheme for Adolescents to promote preventive dental care among adolescents through the provision of partial subsidies for private dental check-up services for adolescents aged between 13 and 17;
- (ii) collaborate with NGOs to enhance emergency and special care dental services to the under-privileged, vulnerable groups with special needs, and persons with disabilities ; and

(iii) enhance the Elderly Dental Assistance Programme to allow more eligible elderly persons to receive dental treatment services such as dental check-ups, scaling and polishing, fillings and extractions.

Mental Health

145. The Government attaches great importance to mental health, and will continue to adopt an integrated approach to promote mental health, which covers prevention, early identification, as well as provision of timely intervention, treatment and rehabilitation for persons in need. We strive to implement the 10 enhanced measures announced in June for supporting persons in mental recovery and those with mental health needs, which include:

- (i) <u>expedite case management</u> The HA will optimise the ratio of case manager to patients with severe mental illness to no higher than 1:40 under the Case Management Programme. For new cases triaged as Priority 1 (urgent) and Priority 2 (semi-urgent) at psychiatric specialist outpatient clinics, the median waiting time will be maintained at no longer than one week and four weeks respectively;
- (ii) <u>enhance community support and training of social workers</u> The SWD will enhance the services of Integrated Community Centres for Mental Wellness next year, including strengthening early identification of persons with mental health needs and early intervention, and exploring to scale up the training of social workers in community mental health service units to raise their capacity in handling complicated cases;
- (iii) provide mental health assessment in the community A pilot scheme will be launched in three District Health Centres next year in collaboration with community organisations to provide mental health assessment for those in need, and to provide early follow-up and referral for high-risk cases;
- (iv) strengthen training of Care Team members Care Team members will be provided with mental health support training to assist in the early referral of persons in need in the local communities for support; and
- (v) <u>launch a "Mental Health Literacy" resource kit</u> The EDB will launch a "Mental Health Literacy" resource kit suitable for upper primary and junior secondary levels in the 2023/24 school year, and prepare the same for lower primary and senior secondary levels, with a view to enhancing student awareness of mental health and assisting schools in promoting it.

Healthcare Manpower Supply and Training

146. To alleviate the shortage of dentists and nurses, the Government will introduce amendment bills to the Dentists Registration Ordinance and the Nurses Registration Ordinance by mid-2024 to provide new pathways for admission of qualified non-locally trained dentists and nurses for serving in specified institutions under the premise that the professional standards and patients' welfare are maintained. Furthermore, we will, starting from the 2023/24 academic year, gradually increase the training places of ancillary dental workers and provide tuition sponsorship to attract more people to join the industry. The Government will also explore amending the Supplementary Medical Professions Ordinance to provide new pathways for admitting qualified non-locally trained supplementary medical professionals to serve in the HA and the Department of Health.

147. We will strengthen the two-way training and exchange of healthcare talents between Hong Kong and the Mainland, while continuing to take forward the "Hospital Authority Healthcare Talents Visiting Programme". Building upon the successful experience of the first phase of exchanges with the Guangdong Province recently, we will take forward talent exchanges with other Mainland regions/cities, such as Shanghai, to promote continuous mutual learning and clinical exchange between different clinical healthcare professionals from the two places, including doctors, nurses and Chinese medicine practitioners, etc.

Chinese Medicine Development

148. The Government will actively promote the development of Chinese medicine in Hong Kong. We will:

- (i) promote testing of and scientific research on Chinese medicine Leveraging on the platform of the Government Chinese Medicines Testing Institute, we will accelerate the promotion of Chinese medicine informatisation and digitalisation, and facilitate the sharing of information. For instance, a Digitalised Chinese Medicines Information Platform will be launched early next year for Chinese medicine identification and educational purposes;
- (ii) formulate the Chinese Medicine Development Blueprint The recruitment exercise for the post of Commissioner for Chinese Medicine Development is at its the final stage. It is anticipated that the Commissioner can assume office early next year, who will co-ordinate the professional and policy development of Chinese medicine, and liaise with the Chinese medicine sector to formulate a comprehensive Chinese Medicine Development Blueprint for release in 2025;

- (iii) <u>strengthen integrated Chinese-Western medicine services</u> Starting from 2023-24, Chinese medicine rehabilitation will be incorporated to the clinical framework for "stroke care", and a new pilot project on "cancer care" will be launched at day chemotherapy centres. We will continue to explore the extension of integrated Chinese-Western medicine services to cover more disease areas, such as elderly degenerative diseases; and
- (iv) <u>take forward the preparatory work for Hong Kong's first Chinese</u> <u>Medicine Hospital (CMH)</u> – The first CMH in Hong Kong is expected to commence service in phases starting from the end of 2025. It will establish a co-operation mechanism with another CMH in the Mainland to support its continuing development.

Cross-boundary Medical Collaboration

149. We will strengthen medical collaboration with the Mainland, and contribute to the national strategy of "Healthy China". We will:

- (i) <u>support the internationalisation of national hospital accreditation</u> <u>standards</u> – The HA will resume the hospital accreditation programme to ensure its management and services attaining international standards, and support the Shenzhen Hospital Accreditation Research Centre to set up an office in Hong Kong in the future with a view to contributing to the internationalisation of the national hospital accreditation standards and improving the overall healthcare quality of the GBA;
- (ii) rolling out the "Elderly Health Care Voucher Greater Bay Area Pilot <u>Scheme"</u> – We will extend the coverage of the elderly health care vouchers initially to about five suitable medical institutions in the GBA as trial service points for provision of primary healthcare services. It will also cover individual designated medical institutions providing dental services at places near Hong Kong, e.g. Shenzhen; and
- (iii) <u>making optimal use of healthcare services in the GBA</u> We will strategically procure healthcare services for the people of Hong Kong from suitable healthcare institutions in the GBA (including the University of Hong Kong – Shenzhen Hospital) so as to alleviate the pressure on service demand of our public hospital services and shorten the waiting time of our residents.
A Liveable and Vibrant City

Sports Development

150. In recent years, Hong Kong athletes have achieved great results in major sports events. In the recent Asian Games in Hangzhou, Hong Kong won a record high of 53 medals. The Government will continue to promote sports development in Hong Kong, supporting elite sports, enhancing professionalism, maintaining Hong Kong as a centre for major international sports events, developing sports as an industry, and promoting sports in the community.

151. On promoting elite sports and professionalism, the new building of the Hong Kong Sports Institute, to be completed in mid-2024, will provide more advanced training facilities for elite athletes. We will also allocate additional resources to enhance its Sports Medicine Centre. CSTB will continue to implement the 10-year Development Blueprint on Sports and Recreation Facilities, providing sports and recreation facilities such as sports centres, sports grounds and parks, amongst which include a swimming pool suitable for hosting international competitions, as well as an arena with fencing training and competition facilities. Furthermore, we will collaborate with the Sports Federation & Olympic Committee of Hong Kong, China (SF&OC) in mid-2024 to offer more professional training and internship opportunities to coaches. This will enhance the professional standards of our coaches and the quality of training for our athletes.

152. On maintaining Hong Kong as a centre for major international sports events and developing sports as an industry, over 15 major international sports events supported by the "M" Mark system will be held in Hong Kong this year, the highest number ever. These events have attracted elite athletes and visitors around the world to visit Hong Kong. The supported events include the FIA World Rallycross Championship, the Aramco Team Series Hong Kong, as well as the Hong Kong Tennis Open, which will be staged in Hong Kong for the very first time. Being the largest sports infrastructure built in Hong Kong, the Kai Tak Sports Park, to be completed by the end of next year for opening in 2025, will be a premier venue for major events, such as international football and rugby matches as well as concerts. This will boost our soft power as a sports hub and foster the development of the related industries.

153. On promoting sports for all, we will collaborate with the SF&OC to organise Festival of Sport events on the Sport For All Day so that more people of Hong Kong may participate. The LCSD will also consider opening its sports facilities for free admission on specific festive occasions every year, where thematic sports days will be held for public participation. From next year onwards, the LCSD will set up self-test fitness corners at its sports centres, and introduce smart

fitness equipment to its outdoor recreation venues. This will allow users to store or retrieve data of their physical activities and access information on sports and health via mobile applications. In addition, we will encourage and assist community organisations to arrange various sports activities and competitions.

Environmental Protection and Ecological Conservation

154. In order to achieve the "dual carbon" targets, the Government is striving to achieve carbon neutrality before 2050 and reduce Hong Kong's carbon emissions by 50% before 2035 as compared to the 2005 level. The Government has established the Office of Climate Change and Carbon Neutrality to help achieve the carbon neutrality targets of our country and Hong Kong, and tackle the carbon emission problem at source. We will:

- (i) <u>enhance energy conservation and decarbonisation in buildings</u> We will consult the trade this year on the proposal of amending the Buildings Energy Efficiency Ordinance, including extending the scope of regulation to more types of buildings, mandating the disclosure of information in energy audit reports, and shortening the interval of energy audit. Our target is to commence the legislative exercise next year;
- (ii) <u>extend the recovery and recycling schemes to more products</u> We will introduce a bill next year to establish a common legislative framework applicable to different products and make relevant subsidiary legislation. Our target is to gradually extend, starting from 2025, the producer responsibility schemes to five types of products: plastic beverage containers, beverage cartons, electric vehicle batteries, vehicle tyres and lead-acid batteries;
- (iii) <u>establish the Sam Po Shue Wetland Conservation Park</u> We will enhance the ecological quality and biodiversity of the Northern Metropolis, providing quality outdoor eco-education and recreation facilities for public enjoyment. Modernised aquaculture will also be introduced in the park. The relevant strategic feasibility study is expected to be completed in the first half of next year; and
- (iv) protect Hong Kong's ecosystems We will update and implement the Hong Kong Biodiversity Strategy and Action Plan based on the Kunming-Montreal Global Biodiversity Framework, endorsed at the 15th meeting of the Conference of the Parties to the Convention on Biological Diversity, and having regard to the actual situation of Hong Kong.

District Environment

155. The Government will launch the "Shining City Project" to enhance the beautification work of our city. The project will focus on developing the Shing Mun River and Yuen Long Nullah into flower viewing hotspots, implementing landscaping improvement works at the central dividers and roundabouts of major roads during major festivals, and injecting art and design elements in suitable pitches/courts, as well as the external walls of sports venues and washrooms. The Deputy Chief Secretary for Administration will be in charge of co-ordinating these efforts.

Stay United to Tell Good Stories of Hong Kong

156. We will unite patriots with affection for the country and our city to actively promote, in the local and the international arenas, the success story of "One Country, Two Systems", presenting the openness and cultural vibrancy in Hong Kong and our distinctive advantage as a conduit between our motherland and the world. We will also be telling our local and international audiences the true and good stories of our city.

VIII. Hong Kong will Prosper Only When its Young People Thrive

157. Young people are Hong Kong's future. The Government will capitalise on our strength in education to help our young people prepare for their future, and build Hong Kong into an international hub for post-secondary education. On top of promoting traditional academic education, the Government will also enhance the status of vocational and professional education and training so as to develop Hong Kong as an education and talents hub for recognised high-quality technical professionals.

Build an International Hub for Post-secondary Education

158. Hong Kong's post-secondary education is international and highly diversified. Hong Kong is acclaimed to be the only city with five universities in the world's top 100. We will develop Hong Kong into an international hub for post-secondary education. This would bring benefits to our local students and help widen their international perspectives. This would also inject professional vibrancy and growth impetus to our post-secondary education, enhancing Hong Kong's status as an international city and taking our post-secondary education to a higher level. To this end, we will:

- (i) increase the admission quota of non-local students to Government-funded post-secondary institutions – Starting from the 2024/25 academic year, the admission quota of non-local students to Government-funded post-secondary institutions will be doubled to 40%. The institutions may take into account their capacity to proceed, step by step, with admission of more non-local students, especially students from B&R countries and from the Mainland, and stand to expand capacity and enhance standard through their high-quality teaching and supporting facilities;
- (ii) <u>expand scholarship schemes</u> In the last academic year, some 2 500 students from the B&R countries were recipients of the B&R Scholarship and various scholarship schemes of UGC-funded universities. We will inject \$1 billion into the Government Scholarship Fund such that starting from the 2024/25 academic year, the quota of the B&R Scholarship will increase by 50%, and the quota of the Hong Kong PhD Fellowship Scheme by one-third gradually, from 300 to 400 places per academic year. These will help attract more outstanding talents to study and conduct researches in Hong Kong. We will also continue with the Hong Kong Scholarship for Excellence Scheme, supporting annually around 100 outstanding local students to

pursue their studies in world-renowned universities outside Hong Kong to broaden their global perspectives;

- (iii) <u>increase hostel places</u> UGC-funded universities will take forward a number of hostel projects, which will cumulatively provide about 13 500 additional hostel places by 2027 to cater for the needs of students, including those arising from the additional intake;
- (iv) <u>support self-financing post-secondary institutions in enhancing their</u> <u>campuses</u> – In 2024, we will launch a new round of the Land Grant Scheme and Start-up Loan Scheme in a bid to support self-financing post-secondary institutions in developing and enhancing their campuses for supporting more teaching and learning activities;
- (v) <u>enhance learning and enrichment opportunities for international</u> <u>students</u> – Starting from this November, full-time non-local postgraduate students will be temporarily exempted from the restrictions on taking up part-time jobs to enhance their experience and understanding of working in Hong Kong, and increase their incentive to stay for development after graduation. The arrangement will be implemented on a trial basis for two years, during which more than 35 000 students are expected to benefit;
- (vi) promote multi-cultural learning experiences Starting from the 2023/24 academic year, the UGC will inject \$100 million into the Funding Scheme for Mainland and Global Engagement and Student Learning Experience. This will encourage universities to offer students with more exchange and learning opportunities outside Hong Kong, and promote a diversified and inclusive international learning environment; and
- (vii) take forward the development of post-secondary education in the <u>Northern Metropolis</u> – We will strive to develop the Northern Metropolis University Town where post-secondary institutions are encouraged to strengthen co-operation with renowned Mainland and overseas institutions, and create synergy by sharing resources and enhancing collaboration with the industry sector.

Develop Universities of Applied Sciences

159. The Government will facilitate the establishment of universities of applied sciences (UASs), and strive to raise the status of vocational and professional education and training to attain qualifications at university degree level, providing an alternative path to success for young people who aspire to pursue a career in the technical professions. UASs will closely collaborate with technical professions and

offer programmes with more internship and practical learning opportunities. These will help students hone their practical skills in the fields.

160. The Government together with the Hong Kong Council for Accreditation of Academic and Vocational Qualifications will make reference to international experience and work to prescribe the standards to be qualified as UAS, covering such aspects as the admission, curriculum, accreditation, career articulation, collaboration with the industry sector. We will offer financial assistance and other ancillary support, and will give priority consideration to include eligible UAS programmes in the Study Subsidy Scheme for Designated Professions/ Sectors. To support suitable existing self-financing institutions to develop into UASs, we will provide additional subsidies to encourage institutions to offer more applied degree programmes related to the technical professions and provide more incentives for enrolment. We will also set aside a start-up fund to support potential post-secondary institutions to form an Alliance of Universities in Applied Sciences to undertake joint promotional activities to instill in students, parents and the community better appreciation of the importance of vocational and professional education and training.

Expand Our Vocational Talent Pool

161. We actively support vocational training to nurture local talents by enhancing capacity-building and value-addition, and offering them with a clear pathway for progression. We will:

- (i) <u>establish the Hong Kong Institute of Information Technology</u> The VTC will focus on pre-employment and on-the-job training for the IT sector. It will introduce programmes in the 2024/25 academic year to strengthen the capacity of the IT sector in Hong Kong;
- (ii) <u>increase allowance of the Apprenticeship Scheme</u> The VTC will, for a period of three years starting from the 2024/25 academic year, provide each registered apprentice with additional monthly training allowance, and subsidise graduated apprentices in undertaking upskilling courses of relevant trades. The two subsidy arrangements will each last for 36 months; and
- (iii) <u>enhance cross-boundary mutual recognition of qualifications</u> We will work with the relevant Mainland authorities on the arrangements for mutual recognition of sub-degree level qualifications, including higher diploma qualifications, and will put the arrangement on trial for selected pilot areas.

STEAM Education

162. We will further strengthen the promotion of STEAM (Science, Technology, Engineering, the Arts and Mathematics) education in primary and secondary schools, including the introduction of Science subject in primary schools, with the curriculum framework to be announced in the 2023/24 school year for implementation from the 2025/26 school year. We will also launch programme in support of the Mathematics curriculum in the 2023/24 school year to strengthen students' capability in the applications of Mathematics, and take further steps to identify and nurture local STEAM elites.

Teacher and Student Support

163. The Government will continue to cater for the needs of teachers and students. These include strengthening co-operation with Mainland authorities and institutions to organise professional training, sharing and collaboration programmes on a regular basis; introducing new awards under the Chief Executive's Award for Teaching Excellence to recognise teachers who are bold at innovation; and regularising the Relocation Grant for Kindergartens from the 2024/25 school year to encourage and help kindergartens apply for relocation to government-owned premises.

Sustain Youth Development

164. We released the Youth Development Blueprint late last year with a vision to nurture a new generation of young people with an affection for our country and our city, global perspectives and positive thinking. We will continue to implement and enhance some 160 measures in the blueprint, and organise the Youth Development Summit in mid-2024 as the opening and highlight of the next Youth Festival.

165. We will continue to implement various youth exchange and internship programmes in the Mainland and overseas. We will also establish the Alliance of Hong Kong Youth Innovation and Entrepreneurial Bases in the GBA within this year to provide a one-stop information, publicity and exchange platform.

166. Last month, the HYAB launched the Youth Link to engage youth participants of various government youth activities and offer them opportunities to develop diverse talents and take part in public affairs. We will study the possibility of utilising suitable facilities to provide Youth Link participants with a platform for constant interaction, including multi-function areas, a youth culture and creativity bazaar, and small-scale performance spaces.

167. We will also continue to implement the Security Bureau Youth Uniformed Group Leaders Forum and select distinguished members with great potential to participate in the Leaders Forum. Diverse learning opportunities, exchange activities with Mainland universities as well as study tours to the GBA and other Mainland or overseas cities will be organised. We will also encourage members to tender advice on youth development. Before the end of this year, we will establish the Leaders Forum Alumni Association for the outgoing alumni.

IX. Closing Remarks

168. Hong Kong is our homes. I have met and spoken with many people from all walks of life, and I continue to meet with, and to listen to, the people of Hong Kong. I am particularly touched by the passion our people for Hong Kong and by their readiness to contribute to Hong Kong. Some have told me that they never get weary in working on behalf of Hong Kong, but that they are sometimes frustrated when they hear others' unfounded criticisms of Hong Kong or downplaying of the city's achievements and longstanding strengths. I thank everyone in Hong Kong who cherishes our city, our home. We will not be put off by their negativity. We will not let them erode our unity and our determination to make Hong Kong a success.

169. The spirit to strive, and to triumph, is in our blood. That was clear at the Asian Games in Hangzhou this year, where our Hong Kong athletes brought home a record of 53 medals. They strived and triumphed, making us proud of them.

170. Hong Kong has many strengths. We should treasure them, without inflating our ego. In face of competition, we should never be complacent; we should not be frustrated or doubt ourselves when we lag behind. Hong Kong has come a long way from our beginnings as a small fishing village to a cosmopolitan world city we are today. Over the years and the decades, we have overcome countless difficulties and challenges. Flexible and resilient, blessed with an innovative mind-set, the people of Hong Kong have long turned crises into opportunities, and emerged from challenges with even greater strengths. It is the mutual reliance, trust and solidarity among the people of Hong Kong that have shaped our story of success.

171. I have faith in the building of China into a great country through Chinese modernisation. I have faith in the great rejuvenation of the Chinese nation. I have faith in our "One Country, Two Systems". And I have faith in you, the people of Hong Kong. As we stay united and embrace our diversity, I firmly believe that we will be able to build a better Hong Kong together.

Annex: Indicators for Specified Tasks

In my first Policy Address in 2022, I set a total of 110 indicators for specified tasks, which included key performance indicators (KPIs). This has helped foster a result-oriented culture in the Government and facilitate me to monitor the progress and outcome more effectively.

1. I have reviewed the implementation situations of all of the indicators, including "tasks completed" (covering a few tasks which are completed by now but with delay in the interim), "tasks on track", and "tasks exceeding targets" (such as trawling for talents). For the indicators that have yet to be completed according to their original plan to date, three of them are with delay and another one with its implementation details revised. The respective situations of these four tasks are: the draft updates on the Civil Service Code, which requires further research upon my request; the "Rule of Law Education 'Train-the-Trainers' Programme", which took longer time to implement because of refinements needed after consultation; the formulation of "the policy of charging land premium at standard rates", which took longer-than-expected time for consultation; and the "public consultation on the protection of cybersecurity of critical infrastructures", for which consultation with stakeholders was held instead having regard to the technical nature of the subject matter. Having reviewed these four cases, I find that the delay was for the reason of refining the tasks for better outcomes, and did not involve any indolence or incompetence. I accepted the explanations, and reminded all departments of the public's high expectation on the Government being result-oriented.

2. Monitoring progress aside, the setting of these indicators has enabled timely intervention or adjustments when needed to help the departments to address problems encountered. This will help foster the result-oriented culture in the Government. Overall, the performance of the departments in the past year has generally met my expectations.

3. For the 2023 Policy Address, I have set a total of 150 indicators, of which 73 are new indicators. The remaining 77 were introduced in the 2022 Policy Address, which are still on-going and valid. The details are set out as follows:

Indicators for Specified Tasks in 2023 Policy Address

(I) New Indicators

Uphold the Principle of "One Country, Two Systems" and Safeguard National Security

1. Press ahead with the legislation on Article 23 of the Basic Law by putting forward effective legislative proposals, with a view to completing the legislative work **within 2024**. (SB)

- 2. Introduce a bill into the LegCo **within 2024** to enhance the protection of cybersecurity of critical infrastructure. (SB)
- 3. Set up a national security exhibition gallery in 2024 to enhance the promotion of national security, with the target attendance of no less than 100 000 in 2025, and provide community courses on national security for at least 2 600 trainees in 2025. Based on the sharing of the message on safeguarding national security with 30 persons by every trainee, the number of beneficiaries will be no fewer than 78 000. (Committee for Safeguarding National Security of the Hong Kong Special Administrative Region, SB)

Patriotic Education

- 4. Promote patriotic education in the community through the set-up of the Hong Kong Museum of the War of Resistance and Coastal Defence **within 2024** and the Chinese Culture Promotion Office under the LCSD **in Q2 2024**. **Starting from 2024**, LCSD will organise:
 - over **50** activities to promote Chinese culture and history annually; and
 - a major thematic exhibition to showcase the development and achievements of our country annually.

A total attendance of **more than 700 000** per year are expected for the above initiatives. (CSTB)

- 5. Promote patriotic education on and off campus and **in the 2023/24 school year**:
 - Publish the curriculum framework on humanities at primary level; conduct textbook reviews, provide 4 000 training places for teachers and teaching resources in the 2024/25 school year, and introduce the subject in the 2025/26 school year;
 - Conduct focus inspections of at least **50 schools** on their implementation of national education to enhance the quality and effectiveness of national education;
 - Launch the "Love Our Home, Treasure Our Country 2.0" series of inter-school national education activities with expected attendance reaching **15 000**;
 - Organise onsite enrichment seminars on national security education for about **2 000** principals and teachers; and
 - Organise about **45** Mainland study tours for about **5 000** newly-joined teachers in publicly-funded schools and promoted teachers in public sector schools. (EDB)
- 6. Radio Television Hong Kong (RTHK) to strengthen co-production of television programmes that foster the affection for our country with Mainland broadcasters, and to broadcast no less than two co-produced programmes in Hong Kong and the Mainland **within 2024**. (CEDB)
- 7. Expand the coverage of RTHK's FM channel which relays the "Radio the Greater Bay" of the China Media Group from the current 50% to 99% **by end-2024**. (CEDB)

Development of Digital Government

- 8. Continue to press ahead better use of technology in service delivery amongst government departments:
 - Fully implement the provision of electronic payment option for all government fees **by Q3 2024** to provide the public with a choice to settle service payments through the Faster Payment System, and support payment with Mainland e-wallets for government services commonly used by Mainland visitors for their convenience; (ITIB)
 - Expand the AI chatbot service for the 1823 enquiry service in answering frequently asked questions under its scope of service, and use AI to assist in drafting replies for written enquiries, for enhancing the efficiency of case handling **by Q3 2024 or before**; (ITIB)
 - The Hong Kong Police Force (HKPF) to launch the "HKSOS" mobile application with built-in Smart Search and Rescue Solution to assist rescuers to locate persons in need within Q1 2024; (SB)
 - The HKPF to launch the Electronic Closed Area Permit and Electronic Closed Road Permit **by end-2023**, and shorten the time required for processing applications; and (SB)
 - The Correctional Services Department to launch the Social Visit e-Booking Service **by end-2023** for members of the public to book online for visits to persons in custody via the Department's website or mobile application. (SB)
- 9. **Starting from 2024**, the automated car parks constructed by the AAHK on the Hong Kong Port Island of the Hong Kong-Zhuhai-Macao Bridge will be completed by phases for use by transit passengers or inbound visitors from Guangdong and Macao. Together with the operation of newly completed government car parks and short-term tenancy car parks **by 2026**, a total of more than **3 000** automated parking spaces will be provided. (TLB)

Civil Service Management System

- 10. Launch the "Civil Service Volunteer Commendation Scheme" in Q3 2024 to encourage participation in and organisation of more volunteer work among civil servants. (CSB)
- 11. Publicise the good stories of award recipients in the Secretary for the Civil Service's Commendation Award Scheme held in November annually as well as in various other commendation schemes for civil servants **from end-2023 onwards** through electronic, social and print media to showcase and promote achievements of the awardees in their work and their dedication to serving the community. (CSB)
- 12. Conduct briefings for and issue guidelines on the streamlined mechanism of retiring officers in the public interest with persistent sub-standard performance to Heads of Departments/Grades and departmental management **by end-2023**, and step up efforts to monitor the handling of these cases by departments. (CSB)

Emergency Response System

13. Formulate a new "Greater Bay Area Emergency Response and Rescue Operational Plan" with the Guangdong Provincial Government and the Macao Special Administrative Region Government to enhance the capacity of the GBA cities for collaborative disaster prevention, mitigation and relief, and for responding to and providing support during major public emergencies, and sign the relevant co-operation framework agreement within 2024. (SB)

Attract Businesses, Talents and Investment

- 14. Introduce the company re-domiciliation regime to provide facilitation for companies domiciled overseas to re-domicile to Hong Kong by submitting legislative amendment proposals to LegCo in the first half of 2024. (FSTB)
- 15. Organise the "Global Talent Summit cum Guangdong-Hong Kong-Macao Greater Bay Area High-quality Talent Development Conference" in the first half of 2024, attracting at least 800 attendance. (LWB)
- 16. Announce the details of the new Capital Investment Entrant Scheme **by end-2023**, followed by the official launch and invitation for applications **in 2024**, to enrich the talent pool and attract more new capital to Hong Kong. (FSTB)
- 17. Set up a dedicated office and an expert group **within 2024** to establish the Hong Kong International Legal Talents Training Academy for promoting exchanges among talents in regions along the B&R and nurturing legal talents conversant with international law and the country's legal system. (DoJ)
- 18. Establish the Hong Kong International Academy Against Corruption **in Q1 2024**, and organise about **20** professional anti-corruption training programmes for anti-corruption and related organisations worldwide and about **10** training programmes for local public and private sectors in 2024, benefitting around **2 000** members of these parties. (ICAC)

International Innovation and Technology Centre

- 19. Set up the New Industrialisation Acceleration Scheme with total funding amount of \$10 billion under the Innovation and Technology Fund and invite applications within 2024 to promote the downstream development of new industrialisation. (ITIB)
- 20. Commission the Microelectronics Centre in Yuen Long InnoPark **within 2024** for gradual move-in of the newly established Hong Kong Microelectronics Research and Development Institute and other tenants, in a bid to promote the development of microelectronics. (ITIB)
- 21. Cyberport to establish an AI supercomputing centre in phases, with the first phase expected for completion and operation **within 2024**. (ITIB)

- 22. Start making preparation **within 2024** for the establishment of the third InnoHK research cluster focusing on advanced manufacturing, materials, energy and sustainable development in the Hong Kong Science Park, and provide support to no fewer than **50** research projects in the first phase. (ITIB)
- 23. Promote 5G development within 2024:
 - Launch the industry consultation on the implementation and technical details of the scheme to encourage mobile network operators to expand telecommunications infrastructure in rural and remote areas, with a view to finalising the specific arrangements of the scheme;
 - Co-ordinate proactively with relevant organisations to enhance 5G network capacity at the major public event venues, such as Central Harbourfront Event Space, Hong Kong Coliseum, Hong Kong Convention and Exhibition Centre, AsiaWorld-Expo, etc.; and
 - Conduct two spectrum auctions to provide 510 MHz of spectrum for the provision of public mobile communications services to further improve the transmission speed of 5G networks. (CEDB)

East-meets-West Centre for International Cultural Exchange

- 24. Promote the development of the culture and creative industries:
 - The newly established Cultural and Creative Industries Development Agency to promote **60** industry mission trips, overseas exhibitions and showcases each year **from 2024 onwards**, so as to open up more business opportunities for Hong Kong's cultural and creative industries by assisting them to conduct business negotiations and organise exhibitions and showcases in the Mainland and overseas markets;
 - Launch the Film Financing Scheme for Mainland Market **in the first half of 2024** to encourage Hong Kong's directors and Hong Kong's film production companies having experiences in the Mainland market to collaborate on film projects, so as to boost the chance of Hong Kong films for release in the Mainland market. The Government will provide a greater incentive for private investment by earmarking an amount of \$200 million for financing **20** film projects. It is estimated that private investment, together with the financing amount of the fund, will bring a total investment of **\$700 million** to the film market;
 - Subsidise around 50 projects under the CreateSmart Initiative per year **from 2024 onwards**;
 - Roll out the Hong Kong-Europe-Asian Film Collaboration Funding Scheme in **2024** with a view to approving four co-productions in **Q1 2025**, which include at least one production from Europe;
 - Announce the implementation and application details of the newly established Signature Performing Arts Programme Scheme **in the first half of 2024**;

- Organise the Hong Kong Fashion Design Week each year **from 2024 onwards** to attract at least 40 000 participants and 500 000 online views; and
- Launch the Pilot Scheme on the Use of School Venues by Arts Groups and to start receiving applications from arts groups **in the first half of 2024**. (CSTB)

International Trade Centre

- 25. The InvestHK and the HKTDC to set up two new consultant offices along the B&R within 2024-25. (CEDB)
- 26. Increase the amount of funding approved for supporting SMEs from \$1,327 million in 2022 to **\$1,600 million in 2024**. (CEDB)

International Financial Centre

- 27. Complete the legislative procedures **by November 2023** for reducing the rate of Stamp Duty on Stock Transfer from the current 0.13% to 0.1% of the consideration or value of each transaction payable by buyers and sellers respectively. As for the other short-term measures from the Task Force on Enhancing Stock Market Liquidity on enhancing the competitiveness of the stock market, the HKEX and the Securities and Futures Commission will implement or commence market consultation on the detailed proposals **by the first half of 2024**. (FSTB)
- 28. The HKEX to implement recommendations on GEM (formerly known as the Growth Enterprise Market) reform **within Q1 2024**, with a view to strengthening its competitiveness and better serving SMEs. (FSTB)
- 29. Establish a new integrated fund platform within 2024. (FSTB)
- 30. Enhance the Mandatory Provident Fund (MPF) System:
 - Introduce legislative proposal into LegCo in Q1 2024 for implementing further tax deduction in 2024-25 to encourage employers to make more MPF voluntary contributions for their employees aged 65 or above; and
 - Launch the eMPF Platform, commence the phased onboarding of MPF trustees to the platform **starting from early 2024** and achieve full implementation **within 2025**. (FSTB)

Regional Intellectual Property Trading Centre

- 31. Further develop intellectual property trading:
 - Consult the public and stakeholders **within 2024** to explore further enhancement to the Copyright Ordinance regarding protection for AI technology development;
 - Introduce the proposed legislative amendments into the LegCo in the first half of 2024 to implement the "patent box" tax incentive; and
 - Table the proposed amendments to subsidiary legislation in the LegCo in the first half of 2024 to reduce the fees chargeable by the Designs Registry by 10% to 70% so as to encourage the industry to register their designs in a timely manner. (CEDB)

International Shipping Centre

- 32. Implement enhancement measures for the three subsidy schemes under the Maritime and Aviation Training Fund, including increasing the subsidy amount, extending the subsidy period and expanding the scheme coverage, **within 2023-24** to sustain the efforts in attracting and retaining maritime talents. (TLB)
- 33. Promote industry-oriented maritime development:
 - Co-ordinate government departments and stakeholders to publish, within 2023, an action plan on maritime and port development strategy, and follow-up the related strategies and measures continuously to spearhead industry-oriented maritime development;
 - Publish multilingual publicity materials to step up the promotional efforts in targeted overseas markets **within 2024**, with a view to attracting shipping commercial principals and overseas shipping companies to establish or expand their businesses in Hong Kong, thereby expanding the local maritime network; and
 - Enhance the connection with **more than 1 000** local, overseas and Mainland companies/organisations to participate in events of the Hong Kong Maritime Week **within 2024**, which includes showcasing the international status of the Hong Kong maritime industry in collaboration with media partners. (TLB)

International Aviation Hub

- 34. Complete the Three-Runway System at the HKIA **in 2024** and open relevant passenger facilities progressively in light of passenger traffic demand. (TLB)
- 35. Introduce "Smartlane" at the HKIA **from 2024** to facilitate aviation security screening, and increase the coverage of Flight Token service to **80**% of the departure passengers at the HKIA **in 2026** to allow them to use facial recognition for passage through various checkpoints at the airport. (TLB)
- 36. Complete the first-phase construction of the permanent facility for the HKIA Logistics Park in Dongguan to promote the sea-air intermodal cargo transhipment mode between HKIA and Dongguan **by end-2025**. (TLB)

Centre for International Legal and Dispute Resolution Services in the Asia-Pacific Region

- 37. Continue to develop Hong Kong into a centre for international legal and dispute resolution services in the Asia-Pacific region:
 - Strive for the extension of the measures of "allowing Hong Kong-invested enterprises to adopt Hong Kong law" and "allowing Hong Kong-invested enterprises to choose for arbitration to be seated in Hong Kong" to the whole GBA within 2024;

- Strive to conclude the discussions and sign a new arrangement for service of judicial documents in civil and commercial proceedings with the Supreme People's Court **by end-2023**; and establish a standing interfacing platform with the Supreme People's Court **within 2024** for annual high-level meetings to steer the work on facilitating the interface of the legal systems and related research work in the GBA; and
- Complete the review of the regulatory system on the accreditation and disciplinary matters of the mediation profession in Hong Kong within 2024 to strengthen mediation professionalism. (DoJ)

Development of Tourism Industry

38. Boost Hong Kong's tourism:

- Publish the Development Blueprint for Hong Kong's Tourism Industry 2.0 within 2024;
- Launch the enhanced Characteristic Local Tourism Incentive Scheme **in 2024** to encourage the trade to develop thematic tours, with a view to reaching at least **100 000** visitors;
- Announce the review findings and action plan on the development of cruise tourism **in the first half of 2024**;
- MICE events (i.e. meetings, incentive travels, conventions and exhibitions) subsidised by the Hong Kong Tourism Board **between 2023-24 and 2024-25** will attract at least **460 000** MICE visitors to Hong Kong; and
- Formulate and implement smart tourism measures through the inter-departmental Working Group on Smart Tourism **in 2024**, which include: rolling out a new round of Information Technology Development Matching Fund Scheme for Travel Agents, and increasing the ratio of subsidised travel agents to more than 20%; and implementing a new phase of "City In Time" tourism project using augmented reality technology. (CSTB)

Sustainable Development of the Agriculture and Fisheries Industries

- 39. Promote the sustainable development of the agriculture and fisheries industries:
 - Facilitate the establishment, through public-private partnership, of a modernised technoagricultural park in part of Agricultural Park Phase 2 within 2024 to expedite agricultural modernisation;
 - Launch the first pilot project on urban farming within the area of Ma On Shan Sai Sha Road Garden **within 2024**; and
 - Devise a set of more lenient food business licence **in the first half of 2024** for farms engaged in commercial agricultural production to sell their homegrown produce cooked with simple methods promoting the development of leisure farming. (EEB)

Streamline the Licensing Regime of Food Businesses

40. Expand the scope of the Professional Certification System which adopts a "licence first, inspection later" approach to cover general restaurants **in the first half of 2024**, expediting the approval and enabling applicants to have a better grasp of the processing time. (EEB)

Housing

- 41. Regarding the issue of SDUs:
 - Establish a Task Force on Tackling the Issue of Subdivided Units to be led by the Deputy Financial Secretary **by end-2023** for putting forward proposals to set for SDUs the minimum standards of living environment and suggest measures to eradicate substandard SDUs, etc., within 10 months; (HB)
 - Step up enforcement of tenancy control on SDUs **in 2024-25** by having the Rating and Valuation Department to check landlords of no less than **1 000** SDU households on whether they have committed offences for regulated tenancies; and (HB)
 - Amend the Waterworks Ordinance in 2024 to strengthen the law enforcement power of the Water Authority, with a view to improving the enforcement efficiency as well as increasing the deterrent effect, including that against the illegal act of overcharging for water in SDUs. (DEVB)
- 42. Relax the arrangements for mortgage default guarantee for SSFs from the first half of 2024, including extending the current maximum mortgage default guarantee period of the second-hand market from 30 to 50 years and allowing purchasers to obtain mortgage loans of longer tenor, to help the circulation of second-hand flats. (HB)
- 43. Select **10** PRH estates as pilot sites **in 2024** for trying out innovative technologies to assist in daily estate management work, thereby enhancing estate management effectiveness and service quality. (HB)

Land

- 44. Establish the Committee on the Financing of Major Development Projects led by the Financial Secretary and set up the Office for the Financing of Major Development Projects **in the first half of 2024** to initiate the assessment and evaluation of the financing options for major development projects. (FSTB)
- 45. Release the development potential of existing land:
 - Complete the re-examination of the planning, development model, as well as infrastructure and supporting transport facilities, of the some 20 hectares (ha) of the ex-Lamma Quarry site and put forward development proposals **within 2024**;
 - Put forward comprehensive urban renewal master plans and restructuring proposals for Tsuen Wan and Sham Shui Po by phases **starting from the second half of 2024**;

- The MTRCL to submit proposals **in end-2024** to re-plan the railway facility sites in the vicinity of the Hung Hom MTR Station and improve the connectivity between Hung Hom and Tsim Sha Tsui East; and
- Complete the public engagement activities, and commence the detailed design work of the South Lantau eco-tourism or eco-recreation projects **within 2024**. (DEVB)
- 46. Promote the development of the construction industry:
 - Provide funding for some **400 enterprises** under the Construction Innovation and Technology Fund **within 2024** to facilitate their adoption of various innovative technologies in construction projects, with a view to further enhancing productivity and built quality; and
 - The Construction Industry Council to utilise government funding and its own resources to increase the training quota for skilled construction workers from 10 000 places in the 2022/23 academic year to at least about **12 000** places in each of the academic years from 2023/24 to 2027/28. (DEVB)

Building Safety and Building Management

- 47. In order to enhance building safety **within 2024**:
 - Complete the review on the Buildings Ordinance to, among others, explore streamlining prosecution procedures, lowering the prosecution threshold and increasing penalties for unauthorised building works, non-compliant notices served under the MBIS/Mandatory Window Inspection Scheme and non-compliant repair orders, and formulating legislative proposals;
 - Repair/rectify **1 000** dilapidated/dangerous buildings by their owners or Government contractors, including the default works undertaken by the Government for no less than **200** buildings classified as Category 2 buildings under "Operation Building Bright 2.0";
 - Instigate no less than **2 500** prosecutions mainly against OCs failing to comply with notices served under the MBIS without reasonable excuse; and
 - Instigate no less than **3 600 prosecutions** against non-compliant removal orders. (DEVB)
- 48. Submit a bill to amend the Building Management Ordinance **by end-2023** to encourage owners to involve in the affairs of OCs, and enhance the transparency and accountability of OCs. (HYAB)
- 49. Establish the Fire Services Department Building Improvement Support Centre **by end-2023** to provide one-stop support services for owners and occupiers of old commercial, residential or industrial buildings for complying with requirements of relevant legislation on enhancing fire safety of buildings. (SB)

Traffic and Transport Network

- 50. Invite local and overseas suppliers and operators to submit expressions of interest for the smart and green mass transit system project in East Kowloon and Kai Tak **within 2024** to finalise the details including tender conditions. (TLB)
- 51. Complete the second stage study for the Hong Kong-Shenzhen Western Rail Link (Hung Shui Kiu-Qianhai) jointly with the Shenzhen authorities **in mid-2024**. (TLB)

Promote Fertility and Support Families with Newborns

- 52. Support families with newborns:
 - **Starting from Q1 2024**, effect payment to parents eligible for the one-off Newborn Baby Bonus of \$20,000 for each newborn, and conduct a review after its three-year implementation; (DCSO, relevant bureaux)
 - Starting from the year of assessment 2024/25, raise the deduction ceiling for home loan interest or domestic rents under salaries tax and personal assessment from the current \$100,000 to \$120,000, representing an increase of 20%, for taxpayers who will live with his/her first child born on or after 25 October 2023 until the child reaches the age of 18; (FSTB)
 - **Starting from mid-2024**, reserve an additional 10% of the total number of SSFs for balloting and priority flat selection by family applicants with newborns until the children reach the age of three under the "Families with Newborns Flat Selection Priority Scheme"; and (HB)
 - **Starting from April 2024**, introduce the "Families with Newborns Allocation Priority Scheme" under which family applications with newborns will have their waiting time for PRH reduced by one year. (HB)
- 53. Strengthen support for assisted reproductive services:
 - Over five years **starting from 2024-25**, the Hospital Authority (HA) will gradually increase the annual service quota for in-vitro fertilisation treatment from 1 100 to 1 800 treatment cycles; and (HHB)
 - Starting from the year of assessment 2024/25, the Government will provide tax deduction for expenses on assisted reproductive services under salaries tax and personal assessment, subject to a deduction ceiling of \$100,000 per year. (HHB, FSTB)

Care for the Elderly

54. Establish **within 2024** an Advisory Panel on Silver Economy comprising experts, which will conduct research and provide recommendations for development in one year's time. (CEDB)

Caring and Inclusive Community

- 55. Enhance child protection by increasing the incentive payment to foster families **starting from April 2024** for encouraging willing individuals to become foster families. For ordinary foster care service, the increase will be more than doubled, from about \$5,000 to about \$11,000 per month. For emergency foster care service, the increase will be doubled from around \$6,600 to about \$13,000 per month. (LWB)
- 56. Strengthen support for EMs:
 - Provide two additional support service centres for EMs in Kowloon Central and New Territories East **within 2024**, adding up to **10** centres across the city, and set up an EM Care Team in each centre to assist EMs' integration into the community; (HYAB)
 - Regularise the support services for EM new arrivals and youth to benefit no less than **10 000** attendance annually **starting from 2024**, and continue to organise the District-based Programmes for Racial Harmony to benefit no less than **15 000** attendance annually; (HYAB)
 - Expand the Summer Bridging Programme on Chinese learning to include non-Chinese speaking (NCS) students progressing to Primary 5 and Primary 6 **starting from the 2023/24 school year**, launch the Online Chinese Language Self-learning Resources designed for NCS students, prepare to try out the provision of after-school Chinese language courses for lower primary NCS students using adapted learning materials for the Youth Chinese Test, and increase the number of schools that provide school-based life planning services for NCS students to **20** schools; (EDB)
 - Implement the regularised Racial Diversity Employment Programme, with the aim of providing one-stop employment support for **400** EMs each year; (LWB) and
 - Extend the EM District Ambassador pilot scheme by three years to **2026**, engaging **46** EMs or designated persons to support EMs in the welfare service units of non-governmental organisations (NGOs) and the Social Welfare Department. (LWB)
- 57. Set up a dedicated fund of \$500 million **within 2024** to help NGOs operating subvented welfare services meet their development needs. (LWB)
- 58. Continue to take forward the strategy of targeted poverty alleviation:
 - Roll out the second round of the Strive and Rise Programme **by October 2023**, enabling no less than **70%** of mentees who have completed the one-year programme to achieve improvement in terms of personal development and positive thinking; (LWB)

- Launch the first project under the Pilot Programme on Community Living Room within 2024, with the target of enabling no less than 70% of service users to experience an enhancement in their living space, sense of belonging to the community and interpersonal networks; and (LWB)
- Launch the School-based After School Care Service Pilot Scheme in about 50 primary schools in the 2023/24 school year, with the target of having no less than 70% of student beneficiaries who have completed the pilot scheme to indicate that they have received more appropriate care and learning support, and no less than 70% of parent/guardian beneficiaries to indicate that the pilot scheme helps reduce their child care pressure and allows them to consider seeking/taking up jobs. (LWB, EDB)

Labour Support

- 59. Announce the way forward for the Statutory Minimum Wage review mechanism within the first half of 2024. (LWB)
- 60. Strengthen the training for local workers and promote re-employment:
 - Increase the maximum monthly retraining allowance from \$5,800 to \$8,000 in **Q1 2024** to encourage more people to attend training and enter the workforce;
 - Roll out a two-year pilot scheme through the Employees Retraining Board (ERB) in Q1 2024 to provide pre-employment training and training allowance for trades facing severe manpower shortage, with a target of preparing 1 000 trainees for immediate employment upon completion of training;
 - Commence a comprehensive review on the service scope, training strategies and operation mode of the ERB by end-2023 for publishing the findings and recommendations **in Q3 2024**; and
 - Launch a three-year Re-employment Allowance Pilot Scheme in Q3 2024 to encourage the elderly and middle-aged persons to enter the labour market, 6 000 persons are expected to be benefitted. (LWB)

Healthcare

- 61. Develop a health and medical innovation hub:
 - Set up the preparatory office for the Hong Kong Centre for Medical Products Regulation within 2024 to conduct preliminary work for enhancing the regulatory and approval regime for medicine, medical device and technology;
 - Set up the Greater Bay Area International Clinical Trial Institute in the Hetao Shenzhen-Hong Kong Science and Technology Innovation Co-operation Zone within 2024 to provide a one-stop clinical trial support platform for medical research institutions;

- Establish the Cluster Clinical Research Support Office under the HA within 2024-25 to facilitate clinical researches and trials in the public healthcare system; and
- Establish a new "1+" mechanism under the existing drug regulatory regime **by end-2023** to expedite the approval of pharmaceutical products containing new chemical or biological entities for life-threatening or severely-debilitating diseases. (HHB)
- 62. Enhance oral health of the community:
 - Launch the Primary Dental Co-Care Pilot Scheme for Adolescents within 2025 to motivate them to maintain a habit of having regular dental checkups upon leaving the School Dental Care Service;
 - Improve the dental treatment services for low-income elderly persons through enhancing the Elderly Dental Assistance Programme under the Community Care Fund **in Q3 2024**;
 - Enhance the special care dental services currently provided by the Department of Health to cover an additional **900** new patients with special needs and disabilities per year **in Q3 2024**; and
 - Enhance the emergency dental service for vulnerable groups within 2025 covering all 18 districts through collaboration with non-governmental organisations. (HHB)
- 63. Enhance support for persons in mental recovery and those with mental health needs:
 - The HA will optimise the ratio of case manager to patients with severe mental illness to no higher than 1:40 under the Case Management Programme **by end-2023**. For new cases triaged as Priority 1 (urgent) and Priority 2 (semi-urgent) at psychiatric specialist outpatient clinics, the median waiting time will be maintained at no longer than one week and four weeks respectively; (HHB)
 - Introduce a pilot scheme in three District Health Centres **within 2024** to provide mental health assessment for members of the public in need and provide follow-up, as well as early referral for high-risk cases; (HHB)
 - Enhance the services of Integrated Community Centres for Mental Wellness in the second half of 2024 and commence scaling up training for about 1 000 social workers in community mental health service units; (LWB)
 - Increase the number of full-time peer supporter positions from 40 by 75% to at least 70 by Q4 2024; and set up four additional Parents/Relatives Resource Centres by Q3 2025; (LWB) and
 - Launch a suitable "Mental Health Literacy" resource package for learning at upper primary and junior secondary levels within the 2023/24 school year. (EDB)

- 64. Strengthen healthcare manpower supply and personnel exchange:
 - Introduce amendment bills to the Nurses Registration Ordinance and the Dentists Registration Ordinance **by mid-2024** to provide new pathways for admitting qualified non-locally trained dentists and nurses to practise and serve in specified institutions;
 - Gradually increase training places of dental hygienist and dental therapist starting from the 2023/24 academic year from 95 to 185 by 2024/25 academic year; and
 - The HA to establish a two-way personnel exchange channel with Shanghai **by Q2 2024**. (HHB)
- 65. Promote the development of Chinese medicine in Hong Kong:
 - Launch the Digitalised Chinese Medicines Information Platform **in early 2024** for access by the public, industry, and international research institutions for Chinese medicine drug identification or educational purposes;
 - Establish a strategic partnership mechanism between Hong Kong's first Chinese Medicine Hospital and a Mainland Chinese medicine hospital **within 2024** to support the commissioning preparation and continuous development of the hospital; and
 - Publish the Chinese Medicine Development Blueprint within 2025. (HHB)

Sports

66. Further promote sports in the community:

- Set up 18 self-test fitness corners in the LCSD sports centres in all 18 districts **within 2024**. Around **100 000 attendance** are expected each year upon completion of all the test fitness corners; and
- Set up smart fitness stations in 4 parks **in 2024/25**. Around **50 000 attendance** are expected each year upon completion of all these smart fitness stations. (CSTB)

Environmental Protection and Ecological Conservation

67. Complete the feasibility study on the establishment of the Sam Po Shue Wetland Conservation Park **by the first half of 2024**. (EEB)

Education

68. Press ahead the building of an International Hub for Post-secondary Education:

• Starting from the 2024/25 academic year, double the quota admission of non-local students to post-secondary institutions funded by the Government to 40% to allow gradually increased intakes from universities for attracting more students from abroad as well as the Mainland to further their studies in Hong Kong, thereby expanding the capacity of the institutions and developing Hong Kong into an international hub for post-secondary education; and

- Starting from the 2024/25 academic year, increase the quota of the B&R Scholarship by 50%, and gradually increase that of the Hong Kong PhD Fellowship Scheme by one-third from 300 to 400 places per academic year, in order to attract more outstanding talents to study and conduct researches in Hong Kong.
- 69. Press ahead with the development of UASs:
 - Join hands with the Hong Kong Council for Accreditation of Academic and Vocational Qualifications and draw on international experience to set out and promulgate **within 2024** the prerequisites for UASs covering admission, curriculum, accreditation, career articulation and industry participation etc.;
 - Promulgate the details of the financial and ancillary support for UASs, which include providing additional subsidies to encourage institutions to offer more applied degree programmes related to the technical professional field, and increase the enrolment incentives **within 2024**; and
 - Set up the University Alliance in Applied Sciences within 2024. (EDB)
- 70. Strengthen our vocational talent pool and promote vocational and professional education and training **starting from the 2024/25 academic year**:
 - Launch at least **four** applied degree programmes; and (EDB)
 - Provide training allowance for more than **7 000** registered apprentices and subsidise graduated apprentices in undertaking upskilling courses of relevant trades, each for a period of three years. (LWB)

Youth Development

- 71. Organise the Youth Development Summit **in mid-2024** as the opening and highlight of the 2024 Youth Festival and invite participation of guests and youth groups from the Mainland and overseas to promote youth development in Hong Kong, with an estimated attendance of no less than **1 000** persons. (HYAB)
- 72. Organise/provide at least **10** youth development activities for members of the Youth Link **by end-2024**. (HYAB)
- 73. Continue to promote the Security Bureau Youth Uniformed Group Leaders Forum and complete the following initiatives **by end-2023**:
 - Arrange the Leaders Forum to tender advice to the Security Bureau on matters including enhancing young people's sense of national identity and national security awareness, as well as select new members; and
 - Establish the Leaders Forum Alumni Association and organise at least one sharing activity every quarter to facilitate sharing of views and experience among former and current members of the Leaders Forum. (SB)

(II) On-going and Valid Indicators for Specified Tasks Introduced in the 2022 Policy Address⁵

Uphold the Principle of "One Country, Two Systems" and Safeguard National Security

 Establish a new Working Group on Patriotic Education under the Constitution and Basic Law Promotion Steering Committee within 2024 to strengthen the promotion of patriotism, and continue to step up the promotion of the Constitution, the Basic Law and patriotism by organising no less than 700 promotional activities with no less than 900 000 participants and no less than 25 million views via online publicity in 2024. The above indicators are expected to increase by 5% in 2025. (CSO, CMAB, relevant bureaux)

Patriotic Education

2. Launch the second phase of the Rule of Law Education Train-the-Leaders Programme **within 2024** to train more than **200** people from various sectors of the community so as to continue strengthening the promotion of rule of law education on all fronts in the community. (DoJ)

Interaction and Exchange between the Executive and the Legislature

- 3. The Chief Executive to attend not less than four Chief Executive's Question and Answer Sessions in each legislative session. (Admin Wing of CSO)
- 4. The Chief Secretary for Administration to have either meetings or telephone meetings with the House Committee (HC) Chairman and Deputy Chairman after each HC meeting to foster close liaison and collaboration. (Admin Wing of CSO)

Development of Digital Government

- 5. Launch 110 new digital government and smart city initiatives **from 2024 to 2025**, including using blockchain technology for electronic issuance and verification of certain licences and certificates, and employing artificial intelligence (AI) and video analytics to improve security of public cargo working areas. (ITIB)
- 6. Increase the annual usage of open data from 22 billion in 2021 to **58 billion in 2025**. (ITIB)
- 7. Continue to promote "iAM Smart":
 - Increase the annual usage of "iAM Smart" (total transactions) progressively from 10 million in 2023 to **17.5 million in 2025**, a threefold increase as compared to 2021; and
 - Achieve the adoption of "iAM Smart" by all government departments to provide citizens with convenient and one-stop electronic services **by 2025**. (ITIB)

⁵ Some of the on-going and valid indicators introduced in 2022 have been updated or enhanced in light of the latest situation.

8. Digitalise all licences, services and forms involving application and approval **by mid-2024.** If in-person submission or collection of documents is required by law or international practice, applicants will only need to visit the government office concerned once. (ITIB)

Civil Service Management System

9. Issue the draft updated Civil Service Code for consultation with the staff side in Q1 2024 or earlier. (CSB)

Attract Enterprises, Talents and Investment

- 10. Continue to attract enterprises and investment:
 - The OASES will reach out to no less than **300** strategic enterprises **in 2024** to negotiate for establishing their foothold or expanding their operations in Hong Kong; and (FSO)
 - Attract **by 2027** at least **100** I&T enterprises of high potential and representativeness to set up operations or expand their presence in Hong Kong, including at least **20** top-notch I&T enterprises. (ITIB)
- 11. Increase inward investment by attracting at least a total of **1 130** companies to set up or expand their operations in Hong Kong **from 2023 to 2025**, an increase of 16% over the annual average number in 2020 and 2021, thereby bringing in direct investment of at least **HK\$77 billion** and creating at least **15 250** job opportunities. (CEDB)
- 12. Facilitate no less than **200** family offices to set up operations or expand their business in Hong Kong **from 2022 to 2025**. (FSTB)
- 13. Admit at least **35 000** talents annually with an intended duration of stay of at least 12 months through the talent admission schemes **from 2023 to 2025**, an increase of 40% over the annual average number in 2020 and 2021. (LWB)

International Innovation and Technology Centre

- 14. Promote commercialisation of R&D outcomes:
 - Complete vetting of the first round of applications under the Research, Academic and Industry Sectors One-plus Scheme and announce the results in **Q1 2024**; and
 - Increase the commitment of private capital in R&D projects under various ITF schemes from \$800 million in 2022 to **\$1.6 billion in 2027**. (ITIB)
- 15. Nurture start-ups:
 - Increase under the Innovation and Technology Venture Fund the cumulative private investment attracted for local I&T start-ups from \$1.7 billion in 2022 to at least \$4 billion in 2027; and
 - Increase the cumulative number of very early stage start-ups to be subsidised under the Technology Start-up Support Scheme for Universities from 330 in 2022 to 600 in 2027. (ITIB)

- 16. Attract I&T talents:
 - Increase the cumulative number of applications approved for subsidising the recruitment of R&D talents under the Research Talent Hub scheme from around 10 500 in 2022 to **18 500 in 2027**; and
 - Increase the percentage of primary and secondary schools joining "Knowing More About IT" and "IT Innovation Lab in Secondary Schools" programmes from 54% in the 2021/22 school year to **90% in the 2024/25 school year**. (ITIB)
- 17. Expand under the STEM Internship Scheme the number of student interns from 3 000 in 2022 to **5 000 in 2027**. (ITIB)
- 18. Promote new industrialisation:
 - Increase under the New Industrialisation Funding Scheme the cumulative number of funded smart production lines in Hong Kong from about 30 in 2022 to **over 130 in 2027**; with corresponding cumulative skilled employment opportunities increasing from about 260 to **over 1 050**; and during the same period cumulative matching private investment rising from about \$340 million to **no less than \$1.3 billion**; and
 - Double the supply of floor area for advanced manufacturing in the InnoParks from over 100 000 square metres (sq.m.) in 2022 to over **200 000 sq.m. in 2027**. (ITIB)

East-meets-West Centre for International Cultural Exchange

19. Continue to implement the 10-year development blueprint for arts and cultural facilities for the improvement and development of culture facilities with the following proposals:

Phase 1 (2022-2027)

- the total number of seats in performance venues is expected to increase from 30 000 to **34 000** (increase by 13%); and
- the average annual attendance of performance venues is expected to increase from about 3 million to about **3.4 million** (increase by 13%).

Phase 2 (2027-2032)

- the number of museums (including those under planning) is expected to increase from 15 to over **20** (increase by more than 33%);
- the average annual museum attendance is expected to increase from 5 million to 9 million (increase by 80%);
- the total number of seats in performance venues (including those under planning) is expected to increase from 30 000 to about **50 000** (increase by 67%); and
- the average annual attendance of performance venues is expected to increase from about 3 million to about **5 million** (increase by 67%). (CSTB)

- 20. Support under the Mega Arts and Cultural Events Fund annually four events with total attendance of at least **100 000**. (CSTB)
- 21. Enhance support for young artists by sponsoring annually **20** new small and medium-sized arts groups (mainly composed of artists graduated from tertiary institutions within five years) and **30** new individual artists who graduated from tertiary institutions within five years to engage in the arts and culture industry. (CSTB)
- 22. Organise the Hong Kong Pop Culture Festival annually to offer over **20** programmes/ exhibitions, with an estimated annual attendance of over **300 000**. (CSTB)
- 23. Organise the GBA Culture and Arts Festival **within 2024** to attract:
 - 5 000 local and Mainland artists engaged in around **100** performances/activities with **140 000 attendance**; and
 - **100 000** live web broadcast **views** of the opening gala. (CSTB)

International Trade Centre

- 24. Seek early accession to the RCEP by holding or participating in 70 related events with RCEP members and stakeholders **within 2024**. (CEDB)
- 25. Promote Hong Kong's strengths and opportunities through the following activities by overseas Economic and Trade Offices **in 2024**, an increase of 20% as compared to 2022, by:
 - paying no less than **2 700** visits to governments and organisations of host countries;
 - attending no less than **1 000** speaking occasions;
 - conducting no less than **1 100** media interviews or briefings; and
 - staging no less than **1 300** forums, exhibitions, seminars and promotional activities. (CEDB)
- 26. Continue to promote Hong Kong as the functional platform for the B&R Initiative in **2024**:
 - Organise promotional programmes and networking sessions to be attended by no less than **7 400** persons;
 - Reach out to no less than **530** professional and business associations, chambers and community groups; and
 - Organise business missions to five B&R countries with about **110** participants in total. (CEDB)
- 27. Promote the opportunities in the GBA in 2024 by organising and participating in promotional programmes and networking sessions to be attended by no less than 8 800 persons; reaching out to no less than 1 100 entrepreneurs and representatives of business firms; and increasing the above indicators by 10% in 2025. (CMAB)

- 28. Promote Hong Kong's strengths and opportunities in the Mainland by the Mainland Offices in 2024 by organising no less than 3 200 visits to Mainland authorities or bodies; attending no less than 270 speaking occasions; conducting no less than 330 media interviews or briefings; participating in no less than 800 business and trade meetings; and increasing the above indicators by 5% in 2025. (CMAB)
- 29. Continue to promote the development of the C&E industry:
 - Support more than **200** exhibitions over a three-year period through the new incentive scheme launched in July 2023; and
 - Continue to expand C&E facilities, including AsiaWorld-Expo and the construction of new C&E facilities in Wan Chai North. (CEDB)
- 30. Publish the Action Plan on Modern Logistics Development **by end-2023** to put forward strategies and actions conducive to the sustainable development of the logistics industry. (TLB)

International Financial Centre

- 31. Expand the issuance of government green bonds, with an increase in the total issuance amount by more than five times within the five years from 2021-22 to 2025-26 as compared with the pre-2021-22 situation. (FSTB)
- 32. Align with international standards by implementing a risk-based capital regime for the insurance industry **within 2024**. (FSTB)

Regional Intellectual Property Trading Centre

- 33. Foster the development of the patent system in Hong Kong:
 - Take the lead in discussing with the patent agent sector and stakeholders within 2024 to plan for the establishment of regulatory arrangements for local patent agent services, covering professional qualification requirements, registration, as well as the regulatory model and framework; and
 - Acquire institutional autonomy in conducting substantive patent examination in 2030. (CEDB)
- 34. Continue to forge ahead with the preparatory work for implementing the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks in Hong Kong **in 2024**. (CEDB)
- 35. Promote IP public education, capacity building and professional services within the five years **from 2022 to 2027** by:
 - reaching out to **100 000** students;
 - providing IP training to **5 000** personnel across different industries; and
 - attracting about **10 000** local, Mainland and overseas participants to attend the annual Business of IP Asia Forum. (CEDB)

International Shipping Centre

36. Continue to enhance port efficiency and data sharing in the shipping and port industry by setting up a brand new data sharing platform for trial by phases, with a view to scaling it up for wider use **by 2025**. (TLB)

Centre for International Legal and Dispute Resolution Services in the Asia-Pacific Region

37. DoJ to lead local delegations comprising professionals from the legal sector to visit different regions, such as the ASEAN member states, as well as other Southeast Asian and Middle East countries annually. (DoJ)

Development of Tourist Industry

- 38. Progressively promote the establishment of the cultural tourism zone in Sha Tau Kok:
 - Gradually open up Sha Tau Kok (STK) (except Chung Ying Street) **from January 2024** by offering in the initial stage a daily quota of **1 000** visitors to apply online for Closed Area Permits to enter STK for sightseeing so as to progressively promote the tourism development of STK Frontier Closed Area, with the effectiveness of the project to be reviewed and the visitor quota adjusted in the first half of 2024; (SB)
 - Together with relevant bureaux and departments, formulate an action plan within 2024 for fostering the establishment of the Sha Tau Kok Cultural Tourism Zone; and (CSTB)
 - Launch a pilot scheme at the re-provisioned Chung Ying Street Checkpoint **in Q4 2024** by applying facial recognition technology to facilitate the flow of people with permission to access Chung Ying Street and to enhance the visitor handling capacity in parallel so as to support future tourism development. (SB)

Development of the New Energy Transport Industry

- 39. Continue to promote green transport:
 - Formulate a citywide green transformation roadmap and timetable for public buses and taxis **in the first half of 2024**, with a view to achieving zero vehicular emissions by 2050; and provide support to realise the goal of introducing about **700** electric buses and about **3 000** electric taxis **by end-2027**; (EEB)
 - Formulate the "Strategy of Hydrogen Development in Hong Kong" in the first half of 2024, and commence the preparatory procedure for amending legislation relating to the production, storage, transportation and application of hydrogen fuel for introducing a bill into LegCo in 2025; (EEB)
 - Complete a feasibility study **within 2024** on providing quality green methanol and liquefied natural gas bunkering for both local and ocean-going vessels; (TLB, EEB)

- The AAHK to co-ordinate with operators of the HKIA fuel infrastructure to attain certification by sustainability standards, and collaborate with relevant government departments to simplify the approval process for the transportation and storage of sustainable aviation fuel **within 2024**; (TLB)
- Test out electric ferries with all four in-harbour ferry operators by end-2024; (EEB)
- Provide about an additional **7 000** parking spaces with electric vehicle chargers in government premises **by end-2025** (an increase in such parking spaces from 30% to 100% in government premises just completed or soon to be completed); (EEB)
- Conduct trials for at least **180** electric commercial vehicles, with a view to mapping out the way forward **around 2025**; and (EEB)
- Increase the number of public and private parking spaces with charging infrastructure to about **200 000 by mid-2027**. (EEB)

Sustainable Development of the Agriculture and Fisheries Industries

40. Increase the local mariculture production by 100% as compared to 2022 **within 2027**. (EEB)

Housing

- 41. Increase public housing supply:
 - Increase public housing (including traditional PRH, Light LPH, Green Form Subsidised Home Ownership Scheme and HOS flats) production in the five-year period **from 2024-25 to 2028-29** to about **172 000** units, which is 9% more than the about 158 000 units in the previous five-year period from 2023-24 to 2027-28;
 - The first batch of about **2 100** LPH units will be completed **in 2024-25**, and a total of about **30 000** LPH units will be completed **by 2027-28**; and
 - Rationalise PRH resources by vetting no less than **450 000** Income and Assets Declaration Forms under the Well-off Tenants Policies within a two-year cycle, and conducting in-depth investigation of no less than **10 000** households involving cases related to income and asset declaration and occupancy position per year. (HB)
- 42. Shorten the waiting time for PRH: Reduce the Composite Waiting Time for Subsidised Rental Housing to about **4.5 years in 2026-27**, on the basis that the number of new PRH applications and the number of recovered PRH units available for allocation will remain at the current level. (HB)
- 43. Speed up construction:
 - Continue to identify more suitable projects for adoption of the MiC approach, including the second generation MiC (MiC 2.0) currently under development, to meet the target of having no less than half of the projects scheduled for completion **from 2028-29 to 2032-33** to adopt the MiC approach; and adopt the Design for Manufacture and Assembly approach for the remaining projects; and

- Adopt the "Design and Build" procurement model in at least half of the total number of public housing flats scheduled for completion from 2028-29 to 2032-33. (HB)
- 44. Improve PRH amenities:
 - Complete the "Well-Being" design guidelines **within 2024**, and proceed with the phased study and implementation of various improvement measures in five PRH estates under a pilot scheme **by 2027**; and
 - Select about **10** PRH estates for façade beautification and/or minor estate improvement works, and about **20** PRH estates for landscape improvement per year. (HB)
- 45. Arrange PRH applicants to move in earlier-than-scheduled by advancing the completion of around **12 000** PRH units by phases **from 2023-24 to 2027-28**, reaching a total of about **14 000** PRH units **from 2023-24 to 2032-33**. (HB)
- 46. Publish the information on public housing projects in the first five-year period on a quarterly basis, and the progress of land production of public housing projects in the second five-year period on a yearly basis. (HB, DEVB)

Land

- 47. Ensure timely land supply:
 - Based on the updated annual forecast, duly deliver about **3 370 ha** of newly formed land in the coming **10 years** (2024-25 to 2033-34), including no less than 1 400 ha in the Northern Metropolis and about 400 ha in the Kau Yi Chau Artificial Islands;
 - Make land available for the production of around **80 000** private housing units for disposal in the market through land sale or railway property developments in the next **five years** (2024-25 to 2028-29); and
 - Publish a 10-year supply forecast of developable land on a yearly basis. (DEVB)
- 48. Increase land supply:
 - Conduct feasibility studies for rezoning 255 ha of "Green Belt" (GB) sites identified for housing development in the latest round of GB review, with a view to rezoning the first batch of land **by 2024**;
 - Resume over 700 ha of private land for government projects **in five years** of 2023-24 to 2027-28 (with the total area exceeding five times of the 140 ha of land resumed in the past five years), and further resume about 200 ha of land in the ensuing three years;
 - Release **within 2024** the development proposals for Tsim Bei Tsui/Pak Nai/Lau Fau Shan area, New Territories North New Town (including Lo Wu/Man Kam To), Ngau Tam Mei and Ma Tso Lung in the Northern Metropolis;
 - Commence the statutory procedures for the environmental impact assessment for the Kau Yi Chau Artificial Islands **by end-2023**; and

- Commence works in Tseung Kwan O Area 137 in 2025, with first resident intake in 2030. (DEVB)
- 49. Streamline development procedures:
 - Regularise the arrangement for charging land premium at standard rates for redevelopment of old industrial buildings and extend by phases the arrangement for charging land premium at standard rates to agricultural land in the New Territories **by end-2023**;
 - Introduce an amendment bill into LegCo by end-2023 to lower the compulsory sale application thresholds and streamline the legal procedures, and set up a dedicated office within 2024 to provide one-stop support services to minority owners affected by compulsory sale;
 - Promote the use of BIM by promulgating a roadmap for the adoption of BIM in the preparation of building plans and the submission of these plans for approval by the authorities **by 2023**, and launching an application software to automate compliance checks on the floor area information in building plans **in Q1 2024**; and
 - Streamline the procedures for extension of land leases expiring from 2025 by introducing a bill into LegCo **by end-2023.** (DEVB)

Traffic and Transport Network

- 50. Promulgate the Hong Kong Major Transport Infrastructure Development Blueprint **by end-2023** to outline the implementation of all major transport infrastructure in a holistic manner, with a view to improving the railway and major road networks. (TLB)
- 51. Formulate the initial recommendations under the Traffic and Transport Strategy Study by **end-2023** and roll out various pilot schemes progressively starting from **2024**, with a view to promulgating a long-term strategy blueprint in **2025** for maintaining a reliable, safe, smart, environmentally friendly and highly efficient overall transport system for Hong Kong. (TLB)

Promote Fertility and Support Families with Newborns

- 52. Strengthen child care:
 - Increase the Child Care Centre Parent Subsidy from a maximum of \$600 to \$1,000 per month starting from April 2024. The subsidy is applicable to all government-aided standalone CCCs and CCCs attached to kindergartens;
 - Increase the number of service places under the Neighbourhood Support Child Care Project from 954 to about **2 000 starting from Q4 2024**;
 - Increase the number of beneficiaries under the Fee-waiving Subsidy Scheme of the After School Care Programme for low income families to 4 600 by end-2026/27 school year, an increase of more than 60% over the 2021/22 school year;

- Increase the number of service places under the After School Care Programme for Pre-primary Children from 672 to **1 176 by end-2027**; and
- Increase the number of Aided Standalone Child Care Centre service places for parents who cannot take care of their young children temporarily by 84% to about **1 900 by end-2027**. (LWB)

Care for the Elderly

53. Improve elderly services:

- Extend the Residential Care Services Scheme in Guangdong within 2024 to specific residential care homes for the elderly (RCHEs) operated by Mainland organisations; (LWB)
- Extend the coverage of the Residential Care Service Voucher Scheme for the Elderly to nursing home places and provide **1 000** more vouchers **starting from Q2 2024**, so that more eligible elderly persons can be admitted to participating RCHEs without waiting; (LWB)
- About **2 200** elderly and rehabilitation service units eligible to apply to the Innovation and Technology Fund for Application in Elderly and Rehabilitation Care **in 2024-25** to procure, rent and trial technology products; (LWB)
- Put forward, **within 2024**, proposals for incorporating the concept of universal design and accessibility into the building design manual developed by the BD; (DFSO, relevant bureaux)
- Provide around **15 000** learning places under the Elder Academy Scheme **in 2024-25** to encourage lifelong learning and integration into the community by more elderly persons; (LWB)
- Provide **6 200** additional subsidised residential care service places for the elderly **by end-2027**; (LWB)
- Provide **900** additional subsidised day care service places for the elderly **by end-2027**; and (LWB)
- Increase the number of beneficiaries to **12 000 in 2025-26** following the regularisation of the Pilot Scheme on Community Care Service Voucher for the Elderly. (LWB)

Caring and Inclusive Community

54. Improve rehabilitation services and enhance the support for persons with disabilities:

- Launch a three-year pilot scheme **from Q3 2024** to provide an additional subsidy of \$500 per month to employed disabled recipients of CSSA as a means to encourage employment. This will benefit some **6 800** persons with disabilities; (LWB)
- Achieve zero waiting time **from 2024-25** in respect of On-site Pre-school Rehabilitation Service for children with special needs; (LWB)

- Increase the number of day rehabilitation, residential care and respite service places for persons with disabilities by 10% from about 35 100 in 2021-22 to about **38 800 by 2026-27**; (LWB)
- Strengthen the existing establishment of resource teachers for the primary and secondary sections of aided special schools and extend the initiative to schools for social development **starting from the 2024/25 school year**, allowing them to provide additional learning and growth support for about **4 000** students with autism spectrum disorder; (EDB)
- Provide **in 2024** additional resources to increase nursing staff in some **200** residential care homes for persons with disabilities; and (LWB)
- Gradually increase around **500** service places of the Extended Care Programme in Day Activity Centres and about **800** places of the Work Extension Programme **within three years from 2024-25**. (LWB)
- 55. Better support carers:
 - Continue to implement an array of support measures, including the introduction of a one-stop information gateway and a designated hotline, increase the service quota for respite services and improve the service enquiry system, spearhead community-based peer support service for carers, and launch a territory-wide publicity campaign to increase public awareness of the carers' needs;
 - **Starting from Q1 2024** and piloting in Tsuen Wan and Southern Districts, engage the Care Teams to help identify carers of elderly persons and carers of persons with disabilities, singleton and doubleton elderly households requiring support through visits or contacts, and to refer cases requiring assistance to relevant social welfare service units for follow-up;
 - **Starting from Q2 2024,** assist and subsidise eligible elderly persons, persons with disabilities and their carers referred by the Care Teams to install emergency alarm systems as necessary; and
 - Set up **in Q2 2024** a designated team in each of the 21 District Support Centres for Persons with Disabilities across the territory to support special school leavers and their carers. (LWB)

Labour Support

56. Strengthen occupational safety and health: Reduce the five-year average industrial accident rate per 1 000 construction workers by at least 10% from 29.8 in 2021 to 26.8 in 2026. (LWB)

Healthcare

- 57. Continue to strengthen primary healthcare:
 - Strengthen co-ordination and governance of primary healthcare services provision across the public and private sectors, set standards and devise quality assurance mechanisms by establishing the Primary Healthcare Commission within 2024;

- Launch a three-year Chronic Disease Co-Care Pilot Scheme **from November 2023 onwards**, under which District Health Centres (DHCs) will refer people who are screened to be at high risk of hypertension or diabetes mellitus to the private sector for further examination and appropriate treatment;
- Enhance the Elderly Health Care Voucher Scheme for a period of three years **starting from November 2023** by increasing the annual voucher amount from the existing \$2,000 to \$2,500⁶. It is estimated that about **1.7 million** eligible elderly persons can be benefitted; and
- Launch the "Elderly Health Care Voucher Greater Bay Area Pilot Scheme" within 2024 to extend the coverage of Elderly Health Care Voucher Scheme to suitable medical institutions in the GBA cities as well as designated medical institutions providing dental services. (HHB)
- 58. Continue to improve public hospital specialist out-patient clinic services:
 - Reduce the 90th percentile waiting time of stable new case bookings for the specialty of Medicine at HA's specialist out-patient clinics (SOPCs) by 20% in 2023-24;
 - Reduce the 90th percentile waiting time of stable new case bookings for the specialties of Ear, Nose and Throat as well as Orthopaedics and Traumatology at HA's SOPCs by 10% in 2024-25;
 - Set up the first chest pain centre in Queen Mary Hospital in accordance with national accreditation standards and a "Green Channel" for chest pain patients **within 2025**; and
 - Establish a breastmilk bank and a mechanism for breastmilk donation within 2025. (HHB)
- 59. Continue to promote the wider use of Electronic Health Record Sharing System to attain the following results **by end-2024**:
 - **3.4 million** eHealth App users; and
 - a monthly average of **190 000** record access. (HHB)
- 60. Launch the next-phase tobacco control initiatives **within 2024** with a view to reducing smoking prevalence from the existing 9.5% to 7.8% within 2025. (HHB)

Sports

61. Continue to take forward the 10-year development blueprint on sports and recreation facilities with the following targets:

Phase 1 (2022-2027)

• **16** projects with implementation launched; and

⁶ The additional \$500 will be allotted to the elderly persons' accounts upon their claiming of at least \$1,000 from the voucher for designated primary healthcare services, such as disease prevention and health management, and the additional amount should also be used for the same use.

• **15** projects with technical feasibility study launched.

Phase 2 (2027-2032)

- **15** projects (with technical feasibility established under Phase 1) with implementation launched. (CSTB)
- 62. Promote urban sports to 8 000 participants every year starting from the 2023/24 school year. (CSTB)
- 63. Support at least **10** major international sports events under the "M" Mark system with at least **350 000** attendance every year. (CSTB)

Environmental Protection and Ecological Conservation

- 64. Continue to promote waste reduction and recycling:
 - Introduce a bill into LegCo **in early 2024** to regulate the proper handling of recyclables in residential buildings;
 - Introduce a bill into LegCo within 2024 to establish a common legislative framework for producer responsibility schemes, with a view to extending the schemes gradually to cover plastic beverage containers, beverage cartons, electric vehicle batteries, vehicle tyres and lead-acid batteries starting from 2025;
 - Install smart recycling bins progressively in all PRH estates in Hong Kong within 2024 to collect food waste; and
 - Implement the first phase of regulation of disposable plastic tableware and other plastic products **in Q2 2024**. (EEB)
- 65. Continue to enhance energy efficiency:
 - Consult the trade **by end-2023** on the proposal of amending the Buildings Energy Efficiency Ordinance, including extending the scope of regulation to more types of buildings, mandating the disclosure of information in energy audit reports, and shortening the interval of energy audit. Our target is to commence the legislative exercise **within 2024**; and
 - Improve the overall energy performance of government buildings and infrastructure by more than 6% in 2024-25, using 2018-19 as the baseline year. (EEB)
- 66. Complete the designation of about 500 ha of land at Robin's Nest as country park within 2024. (EEB)

District Environment

- 67. Continue to enhance environmental hygiene and cityscape:
 - Remove **60%** of the remaining environmental hygiene blackspots identified by various departments **by end-2024** as compared to end-2023; (DCSO, relevant bureaux)

- Conduct anti-rodent operations at the remaining and newly identified rodent blackspots, with a view to removing **60**% of the rodent blackspots **by end-2024**; (EEB)
- Launch the "Shining City Project" within 2024 to enhance the beautification work of our city; (DCSO, relevant bureaux)
- Introduce an amendment bill into the LegCo **within 2024** on the second-stage legislative review, with a view to enhancing the effectiveness and deterrence effect of the environmental hygiene-related legislation; and (EEB)
- Conduct about **500** joint environmental hygiene operations with different stakeholders in PRH estates under the HKHA on a yearly basis. (HB)
- 68. Regarding the harbourfront promenade:
 - Extend the total length of promenade on both sides of the Victoria Harbour by over 30% from the existing 25 kilometres to 34 kilometres **by end-2028**; (DEVB)
 - Stage at least **30** events/activities at harbourfront sites every year; and (DEVB)
 - Reduce the pollution load at identified highly polluted outfalls along the Victoria Harbour, including Tsuen Wan, Sham Shui Po and Kowloon City, by 50% by end-2024. (EEB)
- 69. Progressively commence works for improving some sections and providing missing links of a 60-kilometre long Round-the-Island Trail **from 2023 onwards**, with a view to connecting 90% of the trail **by end-2027** and substantially completing the remaining larger scale works **by end-2031**. (DEVB)

Education

- 70. Continue to enhance post-secondary education by encouraging UGC-funded universities to increase relevance of their programmes to future economic development such that:
 - students in UGC-funded universities studying in STEAM disciplines (Science, Technology, Engineering, the Arts and Mathematics) will reach around 35% by the 2026/27 academic year; and
 - students in UGC-funded universities studying in disciplines relevant to "the eight centres" will reach around 60% **by the 2026/27 academic year**. (EDB)
- 71. Continue to step up promotion of STEAM education:
 - Arrange for STEAM co-ordinator/teachers of at least 75% of publicly-funded schools to undergo core professional training on I&T within the 2023/24 school year;
 - Organise or participate in quality STEAM activities of reasonable scale at the school, inter-school, citywide or international level by all publicly-funded schools **starting from the 2023/24 school year**;

- Implement a pilot scheme on mathematical modelling at primary level within the 2023/24 school year, and complete all tryout lessons by the 2024/25 school year;
- Announce the curriculum framework of the Science subject in primary school stage within the 2023/24 school year for implementation starting from the 2025/26 school year, with a view to strengthening students' scientific and creative thinking;
- Implement the enriched coding education and incorporate learning elements of I&T (e.g. AI) in the relevant curricula at the upper primary and junior secondary levels respectively in at least 75% of publicly-funded schools, and set up school-based student talent pool in at least 75% of the publicly-funded primary and secondary schools to identify and nurture gifted talents **by the end of 2024/25 school year**; and
- Arrange for at least one Mathematics teacher in each publicly-funded secondary school to undergo professional development training on mathematical modelling **by the end of 2025/26 school year**. (EDB)
- 72. Continue to promote Mainland and international exchanges:
 - Establish the first teacher training and exchange base in collaboration with the authorities or institutions of the Mainland within the 2023/24 school year, with a view to organising regular training, exchange and collaboration projects in the Mainland;
 - Provide a five-year grant for secondary schools **starting from the 2023/24 school year** to organise study tours exploring workplaces in the GBA, with around **100** secondary schools to be subsidised in the first year for organising **100** relevant tours;
 - Launch the "Guangdong-Hong Kong Sister Kindergarten Exchange Programme" starting from the 2023/24 school year, with 50 kindergartens to be benefitted in the first year;
 - Continue to provide more opportunities for students to participate in Mainland study tours with the following targets:
 - Reserve adequate places for all students in publicly-funded schools to participate in at least one subsidised Mainland exchange programme each in their primary and secondary stages under the Mainland Exchange Programme for Junior Secondary and Upper Primary Students and the Mainland Exchange Programme for Secondary School Students;
 - Participate in a Mainland study tour for all students taking the senior secondary Citizenship and Social Development subject; and
 - Provide opportunities of learning experience outside Hong Kong for around 50% of local undergraduate students of UGC-funded universities within the 2025/26 academic year. (EDB)

Youth Development

- 73. Continue to enhance youth participation in public affairs:
 - Increase the number of participating advisory and statutory bodies (ASBs) under the Member Self-recommendation Scheme for Youth (MSSY) from over 60 in 2022 to no less than **125 by end-2024** and no less than **180 by mid-2027**;
 - Increase the total number of posts in ASBs directly offered through the MSSY from around 130 in 2022 to no less than **250 by end-2024** and no less than **360 by mid-2027**; and
 - No less than **70%** of responding appointees to consider the MSSY useful in assisting them to take part in public policy discussion and debate. (HYAB)
- 74. Continue to cultivate positive thinking of young people:
 - Nurture positive thinking of young people through youth-led projects involving cross-sectoral efforts to benefit no less than **30 000** attendance, including about **6 000** attendance in the first round of the relevant initiative **in mid-2025**;
 - Provide systematic and quality adventure training activities to young people for no less than **50 000** attendance, including about **10 000** attendance in the first round of the relevant initiative in mid-2025; and
 - No less than 70% of responding participants to consider themselves having developed a positive outlook on life after joining either of the above schemes. (HYAB)
- 75. Continue to enrich the experience of young people:
 - Increase the number of beneficiaries under various youth exchange and internship programmes in the Mainland and overseas under the HYAB from about 17 000 in 2019 to no less than **30 000 in 2024**;
 - No less than 90% of participants surveyed to consider themselves having benefitted from the programmes and that the programme objectives have been attained; and
 - No less than 80% of employers surveyed to consider the Mainland and overseas internship experience valuable and participants of such programmes more competitive than non-participants. (HYAB)
- 76. Continue to promote the Funding Scheme for Youth Entrepreneurship in the GBA:
 - No less than **100** funded youth start-up teams in aggregate to have settled in Mainland cities of the GBA **by 2026**; and
 - No less than **80**% of the participants surveyed to consider their understanding of business start-up to increase after joining the scheme. (HYAB)
- 77. Expand the Youth Hostel Scheme to hotels and guesthouses with a view to providing around **3 000** additional places between 2022 and 2027. (HYAB)

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