

## **Cross-border Online Payment System**

by RTHK News, Hong Kong

Wednesday, September 5, 2012

The Hong Kong Monetary Authority says it will invest HK\$17 million to develop a cross-border online payment system. This will allow customers to pay utility and online shopping bills directly from their bank account through the Internet.

The Authority says it will introduce the system in the second half of next year. It will also introduce electronic cheques to replace paper cheques in 2014.

## **Government watching property market**

by news.gov.hk, Hong Kong

Saturday, September 15, 2012

Secretary for Transport & Housing Prof Anthony Cheung says the Government will closely monitor property supply and demand, and launch measures if fluctuation threatens the property market, or affects the banking system.

Speaking to the media today, Prof Cheung said the market expects more liquidity after the US' launch of a new round of quantitative easing measures yesterday. The measures together with other external economic factors add risks to the property market, so the Government must launch measures to cope with it.

He said the Monetary Authority yesterday launched measures restricting property mortgages, adding the Government should tackle the supply problem as there is a mismatch of demand and supply in the property market.

However, supply of land and flats is limited and cannot be increased immediately, which is why the Chief Executive launched the "Hong Kong property for Hong Kong residents" policy.

The Government wants to maintain a balance in housing supply. It will increase the supply of public housing as many people are relying on it. But as there are also many people living in private housing, it must take care of the private property market too.

## **Gross Ship Tonnage up 20%**

by news.gov.hk, Hong Kong

Tuesday, September 18, 2012

The gross tonnage of ships on the Hong Kong Shipping Register totalled more than 78 million at the end of August, up 21% year-on-year and 12 times more than 15 years ago.

This was the message from Permanent Secretary for Transport & Housing (Transport) Joseph Lai, speaking at a symposium on the development of port and maritime services in Ningbo and Hong Kong, in Ningbo today, as the main event of the Ningbo-Hong Kong Economic Co-operation Forum.

He said it is estimated that ships from Mainland enterprises make up 39% of the Hong Kong-registered fleet in terms of gross tonnage (30.69 million) and 34% in terms of number of ships (748).

He said it reflects the support Mainland enterprises give to Hong Kong and the amount of services Hong Kong provides to the Mainland maritime industry.

Mr Lai added Hong Kong's commercial services, including banking, insurance, accounting and legal services are geared to international standards, while Hong Kong professionals generally have a good command of both Chinese and English, as well as plenty of international exposure.

## **Mortgage Corp Sees \$5.2b After-tax Profit**

by news.gov.hk, Hong Kong

Thursday, September 20, 2012

The Mortgage Corporation saw an unaudited profit after tax of \$5.21 billion for the first six months of 2012, compared to \$7.05 billion in the same period of 2011.

The annualised return on equity was 11.8%, lower than the 18% recorded in 2011.

There was \$10.5 billion in new loans drawn under the Mortgage Insurance Programme, of which 98% were for the secondary property market.

The SME Financing Guarantee Scheme launched special concessionary measures on May 31, with a total guarantee commitment of \$100 billion from the Government and a nine-month application period.

The scheme has approved 555 loans with guarantee cover of 80%, amounting to more than \$3 billion in total, and benefitting nearly 470 companies and about 13,000 related employees.

The Reverse Mortgage Programme has approved 83 reverse mortgage loans, with an average monthly payout of \$11,500.

The corporation said the decrease in profit after tax from the record high in the first half of 2011 was mainly due to the extra \$60 million in revenue from investment disposals in 2011 over 2012, a loan portfolio rundown with a tightened net interest spread, and reduced premium contributions from the mortgage insurance business in the first half of 2012.

It has maintained AAA credit ratings from Standard & Poor's and Aa1 from Moody's, the same ratings as the Hong Kong Government.

## **Government Refutes Land-supply Misconception**

by news.gov.hk, Hong Kong  
Saturday, September 22, 2012

It is a misconception that Hong Kong has a large vacant land reserve the Government said following the last public forum on North East New Territories New Development Areas held in Sheung Shui today.

There are also many strips of land not suitable for development due to their small size or irregular configuration. After excluding these, much of the remaining so-called vacant land already has committed uses, including land reserved for public housing, private developments and sites on the Application List.

Hong Kong is in dire need of sufficient developable land. There are nearly 200,000 applicants on the public housing waiting list. Addressing the housing needs of Hong Kong people is definitely an imminent issue.

The project is a new town for Hong Kong people, providing land for development of industries in Hong Kong and employment opportunities for local residents.

This is neither a "Hong Kong-Shenzhen integration" nor a backyard for rich Mainlanders.

After the consultation ends at the end of September, the Government will adjust the Recommended Outline Development Plans. The Planning Department will amend the Outline Zoning Plans and submit them to the Town Planning Board.

The board will invite public views before submitting them to the Chief Executive in Council for approval. The whole statutory process will take about 11 months.

The Government will carefully consider the comments expressed by the community, and make appropriate adjustments, adding it will make satisfactory arrangements for those affected.

The Government appeals to all concerned to consider Hong Kong's overall interests and together build a new town for the Hong Kong people.

## **New SFC Chairman Appointed**

by news.gov.hk, Hong Kong

Friday, September 28, 2012

The Chief Executive has appointed Carlson Tong to succeed Eddy Fong as the Securities & Futures Commission chairman for a term of three years from October 20, while Financial Secretary John Tsang has appointed Kelvin Wong as a non-executive director of the commission for a term of two years from the same date.

Mr Tong is a certified public accountant who retired as Chairman of KPMG China and has served as a non-executive director in the commission since April 2011. He was also a member of various boards and committees, including the Standing Committee on Company Law Reform, the Occupational Retirement Schemes Appeal Board, and the Mandatory Provident Fund Schemes Appeal Board.

Mr Tsang thanked Eddy Fong for his unfailing dedication and valuable contribution to the commission over the past six years, noting under his chairmanship, the commission has achieved notable progress in many aspects of market regulation and has commanded respect in the local and overseas markets.

Meanwhile, Mr Tsang has appointed Kelvin Wong as a non-executive director of the commission for a term of two years from October 20.

Dr Wong has more than 20 years of experience in the banking and securities industries. He is the Hong Kong Institute of Directors chairman and sits on the Standing Committee on Company Law Reform. He also serves on the Listing Committee of Hong Kong Exchanges & Clearing.

Besides the chairman, the commission has seven non-executive directors. The other six are Chan Kam-lam, Lawrence Lee , Prof Leonard Cheng, Anderson Chow, Wong Kai-man, and Teresa Ko.

## **HK-Europe Trade Pact to Take Effect**

by news.gov.hk, Hong Kong

Friday, September 28, 2012

A free-trade agreement between Hong Kong and the European Free Trade Association member states will soon enter into force, the Trade & Industry Department announces today.

The part of the agreement involving Hong Kong and Iceland, Liechtenstein, and Switzerland will enter into force on October 1, while the part involving Hong Kong and Norway will be effective from November 1.

The agreement, signed on June 21, 2011, is Hong Kong's first free-trade agreement with European economies. It covers areas including trade in services and goods as well as investment, and other trade-related issues such as intellectual property protection.

Under the agreement, the member states will eliminate tariffs on all industrial products as well as fish and certain marine products originating in Hong Kong. Processed agricultural products of Hong Kong origin will also enjoy tariff concessions.

Hong Kong service providers and the services they provide will enjoy better business opportunities and legal certainty in market access as well as non-discriminatory treatment in the member states' markets in sectors including financial services, and testing and certification services.

There will be no restrictions on foreign capital, the number of service providers or operations, the value of service transactions, the number of persons employed, types of legal entity, or joint venture requirements for various service sectors in the member states' markets.

Some businesspeople, including intra-corporate transferees and Hong Kong independent professionals, will be granted temporary entry into the relevant states according to the individual states' commitments to facilitate their movement.

## **HK Banks' Mainland Footprint Grows to 14**

by the Standard, Hong Kong

Tuesday, October 02, 2012

Fourteen Hong Kong-based banks have set up operational branches on the mainland in nine years after the signing of a key economic plan, the People's Daily, the Communist Party flagship reported today.

Citing the reports, Xinhua said the branches make up 42 percent of the total overseas banks and hold respectively 35 percent of the total assets and 38 percent of the profits of overseas banks.

The mainland and Hong Kong signed the Closer Economic Partnership Arrangement in 2003 and since then a series of supplements annually, which give preferential policies and measures to Hong Kong service providers to enter mainland market.

The signing of CEPA relax restrictions for HK banks to invest in or buy shares of mainland commercial banks as well as lowered the requirements of the asset size for HK banks to set up branches on the mainland.

As of the end of this June, six HK banks had invested in or bought shares of six mainland-based banks, the daily reported.